The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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Japan's 5-Year Fascist Program in the East Hopei "Autonomous State"

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Soviet Picture "Blow for Blow" Depicts Military Preparedness

The Concentration of Japanese Officials—A Matter of Spelling

Outstanding Events in the Month of April, 1937

How the Heavy Hand of Japanese Rule Tries to Squelch Korean Patriotism (*By the Review's Harbin Correspondent*)

What Should Be the British Policy During the Sino-Japanese Crisis? . . . . . By C. Y. W. Meng

Match-Maker—China's Cupid . . . . . By T. S. Young

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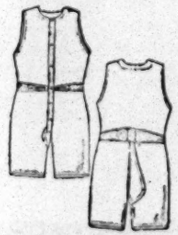

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The China Weekly REVIEW

Formerly Millard's Review

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Contents

Editorial Paragraphs

Soviet Picture "Blow for Blow" Depicts Military Preparedness 1
The Concentration of Japanese Officials—A Matter of Spelling 2
Japan's 5-Year Fascist Program in the East Hopei Anti-Red "Autonomous State" 3

Special Articles

Outstanding Events in the Month of April, 1937 8
North China Situation Again Tense With Rumors Afloat; Gen. Chiang Cancels Leave of Absence 9
Japanese Naval Budget to Reach Yen 800,000,000 Next Year—Premier Hayashi Resigns 13
Match-Maker—China's Cupid.....By T. S. Young 17
What Should Be the British Policy During the Sino-Japanese Crisis?.....By C. Y. W. Meng 18
How the Heavy Hand of Japanese Rule Tries to Squelch Korean Patriotism..... 20
The Far-Eastern Crisis—Some Comments on Henry L. Stimson's Book.....By Chen Pin Ho 22
Who's Who in China 31
Men and Events 32
New Books of Interest in the Far East..... 34

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

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SOVIET PICTURE "BLOW FOR BLOW DEPICTS MILITARY PREPAREDNESS

A LARGE audience drawn from many nationalities accepted invitations from the the Soviet Embassy in China to witness the film "Blow For Blow", shown at the Isis Theatre in Shanghai May 29 depicting the military maneuvers held by the Red Army in the Autumn of 1936 in the Belo-Russian Military District.

Let it be said at once that in at least two respects the Soviets have made wonderful progress, namely in the use of heavy tanks and in the use of parachutes in connection with aerial maneuvers. The latter operations particularly require a combination of both verve and nerve, qualities which the Soviet soldiers display in a high degree. The principal maneuver is to send up say a hundred planes, each having a dozen or so men (with equipment strapped to their backs), lying on top of them. Included in their equipment are one or two parachutes per man. The planes ascend and take positions above the rear of the enemy. There the men leap off their planes and soon the sky is filled with parachutes dropping both soldiers and equipment. It is not many minutes before the enemy finds itself being attacked simultaneously by bombs from the air and a land attack from the rear. Included in the equipment which the infantrymen have dropped from the air by parachutes are machine guns.

The display of these pictures under official Soviet patronage evokes certain reflections. One of them is that there are very few countries that go out of their way to publicise their military preparedness. Germany and Japan, for example, observe the policy of secrecy very strongly. One of the few cases in which a military secret absolutely remained such was the case of the 42-centimetre cannons (of Austrian make) with which the Germans smashed the Belgian defences in the early days of the World War.

Cinema pictutes emanating from Hollywood frequently also display operations on board Ame-

rican warships that one could never imagine as being shown similarly concerning Japanese warships. It so happens that among the large Powers of the earth America and Soviet Russia are practically the only ones that are not looking towards expanding their domain. If this statement is made to representatives of the acknowledged predatory powers their answer usually is that the Soviet and the American attitudes are quite understandable as both countries already have an ample area to accommodate their population. At any rate the attitude of the Soviet Government is generally this: "We believe that a display of our military preparedness will tend to world peace because our enemies will think twice before attacking us if they are shown what preparations we have made to resist them."

It must be said that there is something to be said in favor of this point of view. Letting the other side know before-hand what your attitude is may help to prevent a conflict. It is now generally admitted that had Britain made it known publicly long before the fatal days of August, 1914, that she would immediately take sides against the Central Powers in case they attacked, the World War would not have occurred, at least not at that time. To say that the Germans took the British, or the world in general by surprise, when they started to hack their way through Belgium, is plain nonsense. As a matter of fact a full description (text and illustration) of how the Germans would plough through Belgium in case of war, was printed in an English magazine (*Pearson's*) some time before the World War broke out. Incidentally also, a fact which is now generally forgotten, a story by Conan Doyle published only a few months before the World War broke out, described, in the manner of Jules Verne, the tactics of enemy submarines sinking British merchant vessels—almost identically with the procedure later on followed by Germany during the War.

THE CONCENTRATION OF JAPANESE OFFICIALS—A MATTER OF SPELLING

FOR some reason or other the official Japanese news agencies did not given the news of the concentration of Japanese War Office officials in China, and particularly Shanghai, the importance that the fact warranted. Certain details of the conference of Japanese war officials were given in *The Review* last week. We were not able to get nearly all the names of the officials who attended. In the absence of official sources we had to rely more or less on second-hand information. The same reasons that operated to impel the Japanese news agencies to soft-pedal the news made it difficult to get the exact names of the officials or to establish definitely the fact that certain of the numerous Japanese War Office satellites that have been concentrating in China of late, were, at the moment in Shanghai, or in some other part of the country.

Sources close to Japanese officialdom claim that in a number of cases the names of the Japanese war officials were not spelled correctly. That, we believe, is true. In a few instances also the designations were only approximate. When it comes to a matter of Anglicising names from foreign languages—this particular information, had to go through translations involving a total of three languages—it is not surprising that there may have been variations from the spelling generally used. The principal controversy centered around Colonel "Batche" (as we spelled his name), staff officer attached to the North China Garrison. It turns out this man usually anglicises his name as *Wachi*. At any rate the name was indicated with sufficient approximation to leave no doubt in the minds of those interested in the subject as to the identity of the individual in question. The main point to be noted is that the general tenor of the information given in *The Review* last week was correct, namely that an important Japanese military conference was held—in fact, we now learn that there were two of them, one on May 15 and the other on May 20.

It may be mentioned that in various parts of Japan (as is the case in many parts of the Spanish-speaking world), there is considerable difference in the pronunciation of the labial consonants, so that the transliterator is frequently at a loss to decide whether the syllable or word in question (that is, when it is heard in spoken conversation, as opposed to seeing it in the original Japanese *honji* or *kana*) is to be spelled with a "V", a "B", or a "W". This same difficulty in the pronunciation of labials arises also at the end of words in the Russian and German languages. Take the instance of the respected Soviet Ambassador in China. His name appears indifferently in English-language journals as either Bogomolov, or Bogomoloff. This results from the fact that the character "B" in the Russian language is never pronounced as in English, but is a sort of a halfway between a "v" or an "ff" sound. The situation is further complicated by the fact that in German the character "W" is pronounced as an English "V". Thus the name of the famous German-Polish diplomat "von Bulow" appeared as here printed, in the German language. But transliterators into other languages spelled his name either "Buloff" or "Bulov," which represented more nearly the actual pronunication.

Japan's 5-Year Fascist Program in the East Hopei Anti-Red "Autonomous State"

This is the second article by The Review's Editorial Correspondent in North China dealing with the rebel regime which the Kwantung branch of the Imperial Japanese Army has set up in East Hopei. A further article dealing with another phase of Japanese activity in the North will appear in next week's issue.

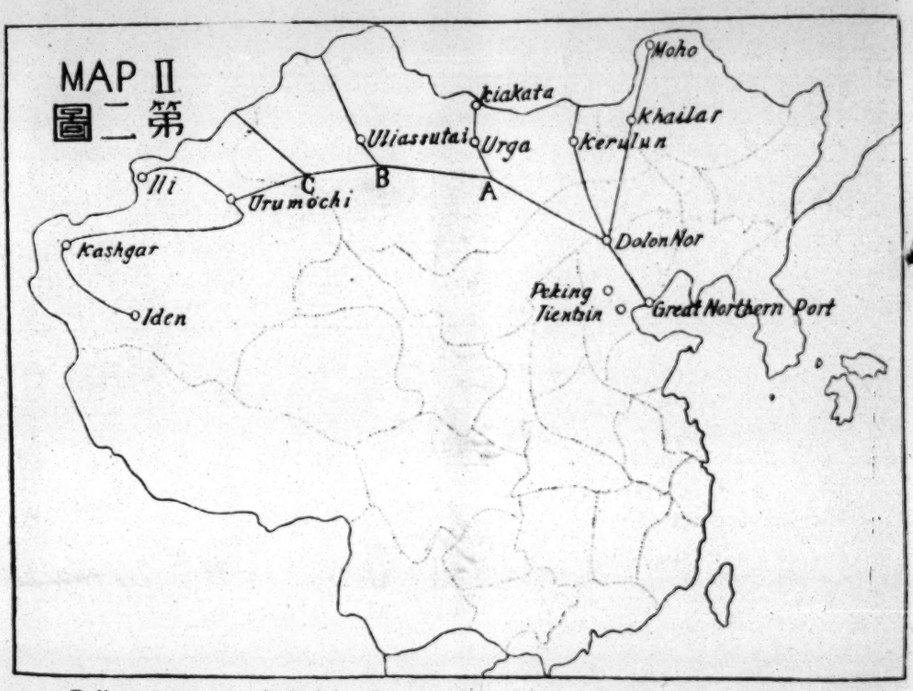
A LEADING Japanese newspaper in the course of an extended comment on developments within the so-called East Hopei "Anti-Comintern" State Government declared, "With peace and order having been established and the foundation of its cultural enterprises having been created, the new state now seeks Japanese financial assistance on the ground that Japanese investments in this district will pave the way for the ultimate tripartite friendship of China, Manchukuo and Japan."

The newspaper making this statement was the *Osaka Mainichi* and *Tokyo Nichi-Nichi* (under the same management) which devoted two full pages of its English editions in Osaka and Tokyo on May 8 to the subject under the heading, "East Hopei Anti-Comintern Autonomous State Is Created Solely Through Desire of 7,000,000 Oppressed People of Region." It was of undoubted significance that this influential Japanese newspaper published its survey at a time when Chinese organizations at Shanghai were demanding abolition of the East Hopei set-up.

In an extended discussion of the problems involved in the East Hopei question which appeared in last week's issue of *The Review* attention was called to the fact that the "autonomous state" which the Japanese Kwantung Army has created in this area constitutes a negation and repudiation of the late Dr. Sun Yat-sen's program embraced in his far-sighted scheme for the international development of China. The accompanying map, reproduced from the Japanese newspaper, shows the location of the East Hopei "state" with respect to Manchukuo and the Peiping-Tientsin area of northern China. Tungchow, capital of East Hopei is only a 40-minute motor journey from Peiping while Tangku, port of entrance to Tientsin is actually within the borders of the East Hopei government. Of greatest interest, however, is the fact that the "Great Northern Port," envisaged in Dr. Sun's program is actually located within the zone now administered by the rebel government of Yin Jukeng which is protected by the Kwantung branch of the Imperial Japanese Army stationed in Manchukuo. The approximate location of the Great Northern Chinese port, which Dr. Sun believed would ultimately parallel the development of New York on the North American Continent is indicated on the map. According to recent reports in the Japanese newspapers the East Hopei authorities have begun construction of a motor road from Luanchow (location of Kailan Mines) to the coast with the object of later using it as location for a railway. There also have been recent discussions in the Japanese newspapers regarding the construction of a "Ta Ching" port,

but whether this refers to Dr. Sun Yat-sen's plan is not known. In foreign business circles in Tientsin it is thought that the references to the "Ta Ching" port may pertain to the creation of a new smuggling base designed to replace (or augment) Chinwangtao and Peitaiho. The fact that more than $250,000,000 worth of smuggled cargo passed through this area into the northern Chinese provinces last year has possibly suggested to the Japanese the importance of developing a new port. That they apparently have turned to the plan of Dr. Sun Yat-sen constitutes a testimonial to the sagacity of the late Chinese political leader who foresaw the strategic importance of this district.

While there may be some excuse for delaying action for the recovery of the lost Manchurian provinces on the ground that such action would be likely to provoke not only a war between China and Japan but an international conflict, such reasons obviously cannot be advanced for further procrastination with respect to the liquidation of the rebel set-up in East Hopei. The reader will discern the reasons for this statement by perusal of the following paragraphs containing a summary of the Japanese program in East Hopei:



Railway system envisaged by Dr. Sun to open up vast hinterland of Great Northern Port—now taken over by Japanese.

WHO OPERATES EAST HOPEI?

While the Japanese Kwantung army maintains a small force of 300 troops in Tungchow, capital of East Hopei, and a regiment elsewhere scattered along the railway and at the passes in the Great Wall and in addition has a considerable number of so-called advisers in the East Hopei administration, actual control is supposedly exercised by the following Chinese officials: Chief Administrator, Yin Ju-keng; Chief Secretary, Chih Tsung-mo; Chief of Civil Administration Office, Cheng Jen-li; Chief of Finance Office, Tsao Tsung-li; Chief of Education office, Liu Yun-sheng; Chief of Construction Office, Wang Hsia-tsai; Chief of Industry Office, Yin Ti-hsin; Chief of Secretarial Department, Cheng Tsung-shih; Chief of Foreign Department, Wang Jun-ting; Chief of Public Safety Department, Liu Tsung-chi; Counsellor, Yao Erh-heng; Public Safety Corps (First Corps Commander), Chang Ching-yu; Second Corps Commander, Chang Yen-tien; Third Corps Commander, Li Yun-sheng; Fourth Corps Commander, Han Tse-sin. The Chief Aministrator, Yin Ju-keng, native of Chekiang Province, controls both civil and military affairs and is assisted by an executive board of eight members who function in Tungchow, but most of whom reside in Peiping. The government has three departments, secretariat, foreign and public safety, and four offices of civil administration, finance, education and construction. The government, in official existence for a year and a half, now has about 1,000 clerks and other employes, of which number some 300 reside in Tungchow and the remainder in Peiping. Practically all governmental departments have branch offices in both Peiping and Tientsin.

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JAPANESE-DIRECTED EDUCATION

Immediately following the establishment of East Hopei, the Manchukuo government sent an educational mission composed of Japanese (and some Chinese) into East Hopei and installed a new educational system replacing the Chinese educational system which had been in existence since the first revolution in 1911 and revised by the educational department of the Kuomintang following the nationalist revolution in 1927. The new educational system, serving the children of a population of some 7,000,000 is based upon the elimination, first, of all "deep-rooted anti-Japanese sentiments; and second, elimination of all communistic inclinations on the part of the population. Four notable achievements are claimed: A complete set of text-books, written and printed in Manchukuo, have been installed in all schools while instruction is supervised by Japanese advisers; Confucianism is being propagated and plans are being made for the early establish-

ment of a University of Tunghsien, a marine school at Chinwangtao and vocational institutions in all chief towns; text-books for use in secondary and higher schools are now being revised for early use.

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INAUGURATION OF FIVE-YEAR FASCIST PLAN!

As a means of paving the way for ultimate "tripartite friendship" between China, Manchukuo and Japan, the East Hopei Government has inaugurated a so-called Five-Year plan of industrial development based upon financial assistance obtained from Japan. The plan includes recent completion of a long-distance telephone system reaching all towns and villages and completely paralleling the Great Wall and linked-up with the Japanese system in Manchukuo.

The telephone system was financed, constructed and is operated by officials of Manchukuo. Construction of an extensive road system, indicated on the accompanying map, is also in progress, emphasis being placed on roads radiating from the capital at Tungchow to the Great Wall and thus connecting with trunk-line roads of Manchukuo, while other trunk-lines extend along the old imperial routes from Tungchow to Shanhaikwan, Luanchow, Tientsin, etc. Reconstruction and expansion of Tungchow, capital of East Hopei, also constitutes an important phase of East Hopei's 5-year plan. As East Hopei has a population of 7,000,000 and an area of 15,000 square miles and embraces within its twenty-two hsiens or counties a considerable portion of the natural wealth of northern China in the form of coal, iron and other minerals, the officials of the new state intend to make their capital a modern and progressive city. Improvements include water and electricity departments, parks and street paving. As Tungchow is located at the northern terminus of the ancient Grand Canal, construction plans include the dredging and reconditioning of this old waterway. Railways connecting with Chengteh, capital of Jehol, also are in prospect. An opium monopoly system has been created, (July 1, 1936) the object being to eliminate profiteering in the drug and "gradual elimination" of smoking. No mention was made of the flourishing trade in Japanese-manufactured opium derivaties, chiefly heroin, which is produced in Tangshan and Luanchow and distributed over China and exported abroad.

An expansion of the salt industry is also being made as a result of a concession granted to Japanese interests which enjoy a monopoly over the product. Taxes have been reduced from $8,000,000 to $6,000,000 annually by eliminating "maladministrative imposts of former military cliques." Foreign trade received a great boost by the arbitrary cutting of the Chinese Maritime Customs Duties to approximately one-fourth or one-fifth of the rates prevailing elsewhere in the country. Finally, there has been created an East Hopei Bank which works in close cooperation with the Japanese Bank of Chosen, hence claims to be the only bank in China possessing a gold reserve against note issues. The bank started in business in July, 1936 with a capital of $6,000,000 and now has branches (connected with the Bank of Chosen) in both Peiping and Tientsin. Its note issue has been variously reported from $3,000,000 to $30,000,000 and according to the officials the notes "are recognized by the Chinese outside of the East Hopei Autonomous District, all banks in Peiping and Tientsin being glad to convert the notes into local Chinese paper money . . . East Hopei notes are expected to be the chief medium of exchange at the Peitaiho sea resort this summer . . . ."

Detailed drawing of the Great Northern Port designed by the late Dr. SunYat-sen

While concessions granted to Japanese interests still remain secret, due apparently to a desire not to excite the Chinese people elsewhere in the country, it was reported that the Japanese Kanegafuchi Boseki interests have purchased 245 acres of land in the vicinity of Shanhaikwan where extensive mills for the production of rayon are to be constructed. Mitsubishi interests have also purchased land for the development of an extensive glass industry. Another company known

as Toyo Seishi is developing a paper industry at Kuyeh while the Japanese Toa (Monopoly) tobacco interests have purchased 329 acres of land at Chinwangtao where a large cigarette factory is in process of construction. These developments, in addition to the extensive cotton program of manufacturing and production of raw material, will soon convert the eastern or coastal areas of the East Hopei zone into one of the leading industrial areas in the Far East. Cocoon growing is also being considered. It is claimed that the area devoted to cotton culture this year will exceed 260,000 acres. Aside from the British-operated Kailan Mining Administration (organized by Herbert Hoover in 1900), all other coal mining enterprises in East Hopei are being converted into Sino-Japanese enterprises. A Japanese military officer recently declared that the South Manchuria Railway would shortly purchase the Kailan interests from the British stockholders. Gold mining in the zone has been turned over to a so-called North Hopei Gold Mining Company, subsidiary of Anglo-Japanese gold mining interests in Korea, which have their headquarters in London and Tokyo. The company will shortly begin placer operations at Miyun, Hsianglung Tsunhua and Tsienan districts. Iron mining will be conducted by the so-called Yinping Iron Mining Company, a Sino-Japanese enterprise, which has been granted a concession to exploit some 32,424,000 tons located in the Lan-hsien district at Suchiaying, Changchiachun and Wuchiachuan. In addition to the coal, iron and gold deposits Japanese engineers claim there also are indications of silver, tungsten , manganese, crystal and considerable desposits of marble. Coal deposits are, of course, most important underlying vast areas. The Changcheng (previously Chinese) interests produce some 300 tons daily. Kailan produces, according to the Japanese report, 439,000 tons monthly, with 1,700 tons of coke. Kailan earns an annual profit of approximately $6,000,000. The Liukiang coal company has a daily capacity of 800 tons and the Annual coal output is 5,770,000 tons with resources exceeding 300,000,000,000 tons with revenues (from salt monopoly bureau) exceeding $25,000,000 annually. Fishery products are also important and in future will be operated by Sino-Japanese interests. The fisheries now provide employment for some 25,000 Chinese families.

East Hopei also is rich in agricultural, horticultural and live-stock resources. Agricultural products include barley, wheat, beans, corn, kaoling and other cereals while horticultural products include apples, peaches, apricots, pears, grapes, jujubes, persimmons and nuts, including an annual production of peanuts said to approximate a half million dollars. Live stock includes cattle, sheep, pigs donkeys and horses. Poultry production, particularly in chickens and ducks, is also extensive.

For many months Japanese engineers have been investigating the possibilities of developing the hydro-electrical resources and according to report have decided upon a development project involving the construction of a plant at Kueitai on the Lanho which it is claimed could supply both Peiping and Tientsin. Another hydro-electrical possibility exists at Hanchiakou but it is thought to be too far distant to transport current to Peiping and Tientsin.

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THE "TRAITOR" YIN JU-KENG!

Yin Ju-keng, who was designated a "twerp" in an article in *Time Magazine*, and who frequently has been labeled a "national traitor," by publications of the National Government at Nanking, is 45-years of age and a native of Chekiang province. His home town was Wenchow, located not far from the district which produced Generalissimo Chiang Kai-shek. But while Gen. Chiang entered the army and devoted himself to the reconstruction of the country, Yin's activities were in a different sphere. He was sent to Japan at an early age and after studying at various schools in Tokyo entered Waseda University where he specialized in political economy. He returned home and participated in the first and second revolutions and was said to have distinguished himself. He was sent to Japan as representative of a Chinese bank and later served as a member of a Chinese military mission, supposedly authorized to buy munitions in Japan. For a time he served as financial adviser in Yunnan and in 1925 was a member of the Chinese Tariff Commission in Peiping. He gained prominence, however, in 1926 when he participated actively in the rebellion of Gen. Kuo Sung-lin against the Manchurian ruler Gen. Chiang Tso-ling, a rebellion which was crushed by the Japanese army at Mukden. Yin served Gen. Kuo in a diplomatic capacity at Dairen and in Korea. When Gen. Kuo was defeated and executed, Yin fled to the Japanese consulate at Hsinmintun where he remained for six months, finally escaping to Osaka where he resided for a considerable period with the family of his Japanese wife, one of her brothers being an officer in the Kwantung army. Later Yin went to Shanghai and joined the government of Chekiang province. In 1927 Yin participated in the Nationalist revolution in the Yangtsze Valley, and according to the account in the Tokyo paper, he made several trips to Japan as an unofficial agent of the Nationalists. In 1928 he served as unofficial diplomatic representative of Nanking in Tokyo. He then returned to Shanghai again and joined the Municipality of Greater Shanghai as a secretary under Gen. Wu

Te-chen. Later he served in the navigation section of the Ministry of Communications at Nanking. While in Nanking he also served as counselor of the general headquarters of the army, navy and air departments. When the Japanese waged war against the 19th route army at Shanghai, Yin rejoined the Chinese Municipality and helped Mayor Wu in negotiating with the Japanese commanders. Acting supposedly on a tip from the Japanese military authorities, Yin resigned and went north following the signing of the Tangku Truce. He was appointed a member of the Chinese committee authorized to superintend the observance of the Truce. Later, according to the Japanese report, "When the agrarian self-governing revolution broke out in the demilitarized zone, culminating in the creation of the East Hopei Anti-Communist Committee, Yin was elected chairman and later became Chief Administrator." He is supposed to be well versed in Japanese politics, particularly that affecting the Japanese army in Manchuria, Inner-Mongolia and North China.

Early in the present month Chairman Yin delivered an address over the Japanese-operated radio station in Tungchow wherein he issued a so-called five-point denunciation of the Kuomintang Party. He charged that the Kuomintang had been responsible for the First Revolution in 1911 which "did nothing but destroy law and order and pave the way for 26 years of domestic warfare." Second, the Kuomintang "imported the foul theories of Karl Marx and communism from Soviet Russia," causing capital-labor feuds which previously were unknown in China. Third, the Kuomintang "ignored and destroyed Confucianism, and converted the grave of Dr. Sun Yat-sen into a holy shrine while the shrines of Confucius are buried under weeds." Fourth, the Kuomintang "promoted the cotton and wheat loan from the United States which impoverished and demoralized the Chinese farmers." Fifth, while the narrow-minded Kuomintangists were responsible for the Manchurian incident, they nevertheless lay the blame for everything on the Japanese . . . by denouncing imperialism they have courted the enmity of all powers." The remainder of his declaration followed the familiar lines of proclamations embodied in pamphlets issued by reactionary groups in Japan or by the Japanese army itself. In conclusion he stated that he had participated in the revolution and had tried repeatedly to advise the Nanking Government but always the Kuomintang leaders had turned a deaf ear. He expressed the hope that the people and organizations in the different provinces, "would rise against the enemies of the people and promulgate their own constitution and govern with justice and righteousness."

Travel Rates Cut for Immigrants to Manchukuo

A drastic reduction in the transportation fares for immigrants wishing to settle in the puppet State of Manchukuo (which will cost the Hsinking Government Yen 150,000,000) will be enforced as from July 1 of this year following detailed arrangements between the Japanese and Manchukuo authorities. One million families involving five million people scheduled to immigrate to the puppet state under a five-year settlement program are expected to be facilitated by the projected preference rates of transportation.

Under the forthcoming transport rates, immigrants specified by the Japanese Overseas Ministry as Class A emigrants will be transported free of charge by the State and private railways in Manchukuo. All belongings of the said immigrants including agricultural implements and other necessaries will also be sent free.

Elaborate Funeral Services Are Held for Marshal Chang Tso-ling

Elaborate funeral services were held June 2 and 3 for Marshal Chang Tso-lin, Manchurian warlord, who lost his life near Mukden nine years ago when the railway coach in which he was riding was blown up near Mukden. The rites were conducted under the auspices of the Concordia Society and friends of the late Manchurian chieftain. His remains, formerly in the custody of Chu Lin Ssu, a temple outside the Hsiao Tung Pien Gate in Mukden, were transferred for interment at the Chang family grave at Mafang near Chinchow, where Marshal Chang's mother and his first wife interred.

Soviet Regulars Said to Have Fired on Japanese Trucks in New Border Attack

Another border incident was reported at Hsinking, May 31 from Mishanhsien, on the eastern border, which four Soviet regulars crossed about 10 o'clock on the morning of May 29, and kidnapped several local villagers. The Hsinking Foreign Office protested to the Soviet Government, through the Soviet Consul at Harbin, regarding the incident. On May 27, according to Japanese reports which reached Mukden, some 50 Soviet troops crossed the border in the afternoon about 10 kilometres south of Suifenho, but were repulsed after half an hour's exchange of fire. The reports added that subsequently two Japanese army trucks were fired upon at a point south of Tungning by Soviet soldiers.

Japano-Manchurian Detachment Allegedly Violates the Soviet Frontier

A *Tass* report from Khabarovsk May 26 stated that a Soviet border detachment consisting of four Red Army men to the south-west of Grodekovo, over one and-a-half kilometres from the frontier, were subjected to rifle and machine-gun fire by a Japano-Manchurian detachment of 15 strong, who had invadep U.S.S.R. territory and tried to surround and capture the Soviet border guards.

Alleged Spies Rounded Up in Seoul

Six Koreans have been indicted at Seoul on charges of espionage in favor of "a certain foreign country," the police of said city revealed May 29. Among the indicted men was one Kin Kobu, alias Chelnikov, who, according to the police, entered Korea illegally from Vladivostok last Decembei, and has been since engaged in espionage. Four other Koreans rounded up at the same time were released because of insufficient idence.

Russian Pamphlet Describes Persecution Endured by "Whites" in Manchuria

The *Shanghai Mainichi* of June 1 stated that the anti-Japanese-Manchukuo sentiment of the local white Russian community has been greatly intensified of late. A Russian pamphlet, which denounces the White Russian Affairs Bureau in Manchukuo and propagates anti-Manchukuo-Japanism, is now secretly on sale. Its title is "Russians in Manchukuo" and contains the speech of O. Leschku, Director of the Accounting Department of the Kirin Coal Mine.

In the preface of the pamphlet, it is stated: "During the establishment of Manchukuo, cooperation among the Japanese, Koreans, Russians, and Chinese was voiced. But, later on, the title "Russian" was gradually made to disappear, thus causing extraordinary excitement among the Russians in Manchukuo. Furthermore, the local Russians have continually fled from Manchukuo because of the oppression by the Japanese-Manchukuo authorities, which indicates nothing but the enforcement of the Japanese policy of expulsion of foreigners. At present, the White Russians in Manchukuo have almost completely disappeared because of the pressure from the Japanese. At the time of the founding of Manchukuo, there were several hundreds of thousands of White Russians, eighty thousand nationals of the Soviet Union, five thousand Japanese, and three thousand other foreigners. But, now, under the oppressive rule of the Japanese-Manchukuo authorities, this number has gradually decreased and that of the White Russians is practically nil."

Outstanding Events in the Month of April, 1937

1.—General Chiang Kai-shek arrived at Shanghai from Hangchow.
1.—Generals Li Tsung-jen and Pai Chung-hsi sworn into office as Commander-in-Chief and Deputy Commander-in-Chief of the 5th Route Army respectively.
2.—General Yang Hu-cheng, Shensi Pacification Commissioner, returned to Sian by air after a visit to Hangchow and Shanghai.
2.—Dr. H. H. Kung, Special Ambassador and Chief Delegate to the British Coronation, and members of the Chinese Delegation left Shanghai for England.
3.—General Chiang Kai-shek flew from Shanghai to Fenghua.
3.—Szechwan Branch of the National Economic Reconstruction Committee formed with Minister of Industry Wu Ting-chang officiating.
4.—The Kiangsu High Court in Soochow instituted proceedings of prosecution against the seven leaders of the National Salvation Association.
5.—Foreign Minister Dr. Wang Chung-hui declared China's foreign policy is based on the fundamental principles of equality and reciprocity.
6.—Dr. Wang Chung-hui assumed his concurrent post as Acting President of the Executive Yuan.
6.—Prince Sha, Chairman of the Suiyuan Mongolian Political Council, arrived at Nanking.
7.—Chairman Lin Sen of the National Government arrived at Kweilin, Kwangsi, from Canton.
7.—Suiyuan Chairman Gen. Fu Tso-yi conferred with General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, on North China situation.
7.—Japanese Ambassador S. Kawagoe called on Dr. Wang Chung-hui.
9.—Chinese Ambassador to Japan Hsu Shih-ying called on Japanese Ambassador Kawagoe.
10.—Hsu Shih-ying declared that any readjustment of Sino-Japanese relations must be based on the spirit of mutual trust and mutual assistance.
11.—The first Finnish Minister Hugo Valvanne to China arrived at Shanghai.
12.—Chairman Lin Sen arrived at Changsha, Hunan, from Kwangsi.
12.—Chou Ping-lin appointed by Exectuive Yuan as Vice-Minister of Education.
12.—Signor G. Cora, new Italian Ambassador to China, arrived at Shanghai.
13.—Gen. Feng Yu-hsiang, Vice-Chairman of the Military Affairs Commission, arrived at Fenghua from Nanking to see General Chiang Kai-shek.
15.—Chairman Lin Sen arrived at Nanchang, Kiangsi, from Hunan.
15.—The legal circles in the various provinces urged the Government to declare abolition of extraterritoriality.
15.—Big fire in Chungking, more than 5,000 people affected.
16.—Gen. Ho Kuo-kwang, Director of the Generalissimo's Headquarters at Chungking, conferred with Szechwan Chairman Gen. Liu Hsiang on measures for reorganization of Szechwan troops.
17.—Chairman Lin Sen returned to Nanking from inspection trip to south and central China.
17.—Japanese Ambassador S. Kawagoe bade farewell to Wang Ching-wei, Chairman of the Central Political Conucil.
18.—10th anniversary of the establishment of the National Government at Nanking celebrated.
18.—General Chiang Kai-shek arrived at Hangchow from Fenghua.
18.—General Fu Tso-yi left Peiping and flew to Taiyuan to see General Yen Hsi-shan.
18.—Tram workers in the International Settlement in Shanghai declared general strike.
19.—Japanese Ambassador S. Kawagoe bade farewell to Foreign Minister Dr. Wang Chung-hui.
19.—Yu Li-kwei and Ho Po-kwang convicted on plotting murder of Wang Ching-wei and T. V. Soong and sentenced to death.
21.—Liu Hsiang-ching appointed by Executive Yuan as Chairman of Anhwei succeeding Gen. Liu Cheng-hua, resigned.
20.—General Chiang Kai-shek arrived at Shanghai from Hangchow.
22.—Laws governing organization of the National People's Congress and election of delegates to the Congress were revised at meeting of the Standing Committee of the Central Executive Committee.
22.—Striking tram workers in the International Settlement in Shanghai resumed work.
22.—The Hopei-Charhar Inspection Party headed by Gen. Chang Tse-chung, Mayor of Tientsin, departed for Japan.
24.—Gen. Wei Tsung-han assumed office as Chairman of the Foreign Relations Committee of the Hopei-Chahar Political Council, succeeding Chen Chung-fu.
25.—Japanese troops in North China started maneuvers.
25.—Japanese consular authorities in Tientsin planning expansion of Japanese concession.
26.—Serious plague broke out in northeastern Szechwan, over a hundred people dying daily in various affected districts.
26.—General Fu Tso-yi, Suiyuan Chairman, conferred with General Yen Hsi-shan on Suiyuan situation.
27.—Executive Yuan appointed General Yu Hsueh-chung, former Chairman of Kansu, as Pacification Commissioner of Kiangsu, and General Ho Yao-tsu, Acting Chairman of Kansu.
27.—Work on re-demarcation of boundaries between Burma and Yunnan by the Chinese and British delegates officially concluded.
27.—Air service between China and the United States inaugurated today.
27.—Japanese Ambassador Kawagoe departed from Shanghai for Japan.
28.—The new Italian Ambassador Signor G. Cora presented his credentials to Chairman Lin Sen.
29.—Gen. Liu To-chuan, Commander of 49th Army, wounded in attempted assassination at Kaifeng, Honan.
30.—General Chiang Kai-shek arrived at Hangchow from Shanghai.
30.—Dr. H. H. Kung received in audience by President Benes of Czecho-slovakia, while passing through Prague en route to England.
30.—The new Mexican Minister to China presented his credentials to Chairman Lin Sen.

Szechuen Official Tells of Worst Drought in Century

Forty million dollars are required for drought relief in Szechuen, according to Liu Hang-sheng, Provincial Commissioner of Finance for Szechuen, in a press interview. Mr. Liu was in Nanking more than a week conferring with the Central authorities regarding the Provincial Relief Loan and the stabilization of the situation in Szechuen.

General Liu Hsiang, Chairman of the Szechuen Provincial Government, is unwavering in his support of the Central Government, the Finance Commissioner said.

Of the 151 districts in the province, according to Mr. Liu, more than 140 districts are suffering from drought, 26 districts being most severely afflicted. The drought victims total more than 10 million people. The calamity is unprecedented in the past hundred years.

The Provincial Government, in the light of local conditions, has either reduced or exempted arrears in the Farm Tax amounting to six millions. With the exception of 14 districts in Western Szechuen, which are not affected by the drought, the collection of the Farm Tax will be suspended for the four months ending August 30. The amount of revenue sacrificed thereby totals more than $16 millions.

Gen. Chang Chun to Proceed to Szechuen to Call on Gen. Liu Hsiang

Gen. Chang Chun, secretary-general of the Central Political Council, is scheduled to leave for Chengtu by plane on June 6 to call on Gen. Liu Hsiang, chairman of the Szechuen Provincial Government for the reorganization of the Szechuen and Sikong troops. It was reported previously that Gen. Liu had agreed to come to Nanking to discuss matter with the Central authorities. However, as he is sick now, Gen. Chang is proceeding to Chengtu, instead.

Branch of Famine Relief Commission Inaugurated in Hsuchow

A branch of the China International Famine Relief Commission was formally inaugurated in Hsuchow, May 27. Over a hundred local officials and civic leaders were present. Shao Han-yuan, Special Administrative Commissioner for Hsuchow, presided. A report on the situation in the various drought-stricken provinces was made by Dr. J. E. Baker, General Secretary of the China International Famine Commission. Lan Po-hua was elected Chairman of the Hsuchow Branch, with Messrs. Tan Yi-ou and Yang Hao-hsien as Vice-Chairman. Messrs. Peng Yung-en, Su Chi-lu and Tai Nan-tung were elected members of the Executive Committee.

North China Situation Again Tense With Rumors Afloat; Gen. Chiang Cancels Leave of Absence

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Chen Chueh-sheng Reveals North China Authorities Facing Increasing Difficulties.**
2. **Sung Cheh-yuan Prolongs Stay at Home Town, Rumors of New Developments Afloat.**
3. **Tientsin Mayor Returns from Japan Trip, Denies Political Discussions in Tokyo.**
4. **Nanking Takes Drastic Measures to Suppress Traitors, One Was Executed.**
5. **Waichiaopu Explains Transfer of Salt Revenue Guards from Haichow to Tsingtao.**
6. **General Chiang Cancels Leave of Absence, Will Soon Return to Nanking.**
7. **Dr. H. H. Kung Decorated and Received in Audience by Italian King.**
8. **Szechwan Situation Eased, General Liu Hsiang Ready to Carry Out Nanking's Orders.**
9. **Yang Hu-cheng Says Northwest Quiet, Will See Gen. Chiang Before Going Abroad.**
10. **Dr. C. T. Wang Arrives at Washington, O. K. Yui Slated for Shanghai Mayor Post.**

Deep concern is being felt in foreign diplomatic circles in Peiping over the current political rumors in North China. Several foreign representatives have called on the Chinese authorities to inquire about the situation. It is reported that responsible quarters are shortly sending a delegate to call on the foreign Ambassadors and Ministers to explain the situation.

Chen Chueh-sheng, Managing Director of the Peiping-Liaoning Railway, interviewed by Chinese pressmen at Peiping May 28, said that outwardly, the situation in North China was quiet, but actually the highest authorities of Hopei and Chahar were having a difficult time trying to maintain it. After referring to the complicated situation in North China, Mr. Chen said that those in charge of affairs always kept the vital interests of the country in mind and strove to retrieve the situation. A cautious attitude, he believed, was the best way of coping with a difficult position. He stressed the need of stabilization which he described as a pre-requisite to any program of reconstruction. Mr. Chen deprecated criticism based on an inadequate knowledge of the realities of the situation, for such criticism would not only fail to improve matters but might give rise to undesirable effects. Referring to recent rumors about impending changes in the situation in North China, Mr. Chen said that General Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council, never ceased to think in terms of the welfare of the people and the country, and that no adverse changes would occur under his leadership. General Sung, he added, would never yield to outside pressure and sacrifice national rights. "While we desire to be loyal to our peaceful stand," he continued, "we hope that the other side will respond in a similar spirit and refrain from bringing pressure to bear on us. If the two sides live at peace, it will not be difficult to work out a gradual solution of the various outstanding problems." Turning to economic co-operation in North China, Mr. Chen said it formed part of a larger political question. If the political situation could be solved, it would not be difficult to reach an understanding on the economic issue. Mr. Chen concluded his interview with an appeal to the people of North China for co-operation with the authorities in the present difficult situation.

GEN. SUNG CHEH-YUAN PROLONGS STAY AT NATIVE TOWN

Gen. Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, has wired to Peiping stating that he will remain in Loling, his home town, for three more weeks. During his prolonged absence, Gen. Feng Chih-an, Chairman of the Hopei Provincial Government, and Gen. Chin Teh-chun, Mayor of Peiping, will continue to be in charge of the military and political affairs of the Council.

TIENTSIN MAYOR DENIES POLITICAL DISCUSSIONS IN JAPAN

Reports that during his recent visit to Japan at the head of an investigation party from Hopei and Chahar, he had discussed Sino-Japanese problems with Japanese officials were disclaimed by Gen. Chang Tse-chung, Mayor of Tientsin, May 29. While admitting that he did meet some Japanese Government officials and many civilian leaders while in Japan, Gen. Chang said that he had not discussed any concrete issues with them as the trip was entirely for investigation purposes. The Mayor said that he was preparing a written statement for the press about his trip to Japan.

Japan has made great improvements in her industries and commerce, especially in aviation and textiles, declared Gen. Chang May 29. His party spent most of the time in visiting factories in Tokyo and Osaka, Gen. Chang told his interviewers. In such cities as Kyoto and Nagoya, they had time only to make very brief stays.

KAWAGOE MAKES REPORT AT CABINET MEET, RETURNING TO CHINA SOON

At the Cabinet meeting May 31, S. Kawagoe, Japanese Ambassador to China, made a report on the latest situation in China and expressed his personal opinions regarding Japan's future policy towards China. During the meeting many questions were asked by Mr. Yuki, Minister of Finance, Mr. Kodama, Minister of Communications and Mr. Sato, Minister of Foreign Affairs concerning the so-called anti-Japanese movement in China, the Chinese Government's policy toward the Communist party and the progress of reconstruction work and other matters. *Central News* reported May 28 that Mr. Kawagoe will return to his post in Nanking after June 10.

According to a *Reuter* report, Chen Chung-fu, former Chairman of the Foreign Relations Commission of the Hopei-Chahar Political Council, who left for Japan in April on an important mission, has postponed his return to Peiping. He was to have come back the end of May.

NANKING TAKES DRASTIC MEASURES TO SUPPRESS TRAITORS

Drastic measures to put a stop to the repeated thefts and destruction of telegraph and telephone wires reported in different parts of the country, are announced. As these acts of sabotage cause disruption of communications, all persons arrested hereafter will be dealt with by court-martial, regardless of locality, in accordance with the Provisional Regulations relating to the Suppression of Robbery, Brigandage and Rebellion.

Found guilty of illicity selling important military books and documents, Cheng Kuang, aged 35, a native of Hunan, was executed by the Nanking Garrison Headquarters at 3 p.m. May 29 after trial by court-martial.

By order of the Hopei-Chahar Political Council, the Tientsin Municipal Government detained May 29 a man, named Ku En-fu, who is reported to have sold 400 mows of land at Tungloutsun (village) to a Japanese for the establishment of a farm. An order prohibiting the sale of "national land to foreigners" having recently been issued by the Hopei-Chahar Political Council, it is understood that Ku will be tried and punished if found guilty.

WAICHIAOPU EXPLAINS TRANSFER OF REVENUE GUARDS TO TSINGTAO

With reference to the outcry in the Japanese press over the disposition of Salt Revenue Guards in the Kiaochow area in eastern Shantung, a spokesman of the Ministry of Foreign Affairs, interviewed, made the following comment:

"The Kiaochow salt district was originally garrisoned by one battalion of Salt Revenue Guards. The Ministry of Finance recently sent the 5th Bridage of Salt Revenue Guards into that area while the battalion originally stationed there was transferred to Haichow. The increase of about two battalions was deemed necessary for fear that a recent increase in the Salt Tax might lead to more extensive smuggling.

"Owing apparently to a misunderstanding, the Japanese Consul at Tsingtao lodged a protest with the Tsingtao Municipal Government demanding the removal of the 5th Brigade from the Kiaochow area. At the same time an agitation was raised in the Japanese press and many unfounded reports of alleged maltreatment of Koreans were circulated.

"It goes without saying that the free movement of Chinese armed forces within China's own territory does not permit of any interference from foreign sources. Furthermore, the movement of Revenue Guards for the better prevention and suppression of smuggling of salt should not cause alarm to persons other than those against whom the measures are directed. It therefore cannot be conceived on what legal grounds a protest concerning this matter could be lodged with the Chinese authorities."

PROTEST AGAINST ACTIVITIES OF RONIN SMUGGLERS UNANSWERED

Tientsin Customs authorities have served a second protest with the Japanese Consulate-General in that city over the unruly activities of Japanese ronin smugglers in the area of the Hsiao Hsi Men barrier, *Central News* reported May 30. Ever since the occurance of the incident of May 12 at said barrier, during which one Customs agent and one policeman were carried off by the ronins only to be released later upon Chinese representations, armed Japanese smugglers have become more threatening in attitude,

it is stated. Practically every night since May 12, official reports state, from seven to nine truckloads of contraband were brought through the Hsiao Hsi Men barrier under escort of a group of armed Japanese smugglers between midnight and one o'clock in the morning. The tactics they have employed regularly, it is emphasized, were first to occupy the barrier by force, while letting the trucks pass through, ready to use force against interference of Customs agents. Meanwhile, it is definitely learned, the first protest lodged with the Japanese Consulate-General in Tientsin against the incident of May 12 has remained unanswered.

"LIH PAO" URGES EARLY ABOLITION OF TANGKU AGREEMENT

Denouncing the Tangku Agreement, which was signed four years ago, as the greatest of all national humiliations, the *Lih Pao* urged May 31 the government to take immediate steps to abolish the so-called treaty signed under duress following the conclusion of the Sino-Japanese hostilities in North China in 1933. The Tangku Agreement, the paper said, is entirely responsible for the birth and existence of the East Hopei bogus government. This treaty has enabled China's enemies to disrupt her economic structure and encourage smugglers to operate their illegal activities without any fear of punishment. It is chiefly because of the existence of this agreement that China has not been able to fully exercise her authority in Hopei and Chahar and Peiping and Tientsin. Moreover, the agreement has served to protect the traitors who have openly worked against the government in North China, the *Lih Pao* said. The paper added that there is only one road for China to choose, and that is to punish the traitors in the East Hopei government. Furthermore, China should continue to press Japan to accept the demands presented by Gen. Chang Chun last year to abolish the Shanghai-Woosung Truce and the Tangku Agreement.

"NATIONAL HUMILIATION" EXHIBITION OPENS IN NANKING

A "National Humiliation" exhibition, the first of its kind ever held in Nanking, drew more than 3,000 spectators on the opening day May 30. The display will continue for one week. The exhibition aims to enable the people to have a better knowledge of the historical background of China's "national humiliation." More than 500 articles depicting foreign aggression in China from the Opium War in 1840 to the present day are on display. Special maps showing "lost territories" are also prominently displayed.

"NIPPO" SAYS SINO-JAPANESE RELATIONS ARE WORSENING

Sino-Japanese relations are gradually turning from bad to worse, the *Shanghai Nippo* declared editorially May 30. "The high hopes that the Japanese economic mission, headed by Kenji Kodama, would succeed in effecting Sino-Japanese economic rapprochement, have not been materialized," the daily admitted. "On the contrary, the anti-Japanese sentiment in this country has of late gained additional strength, as evidenced by the recent incidents in Swatow and off Tangku." Anti-Nipponism in China, the daily said, is a political device, employed by Nanking to secure national unification. "If it is ever realized that Nanking is fanning anti-Nipponism not for domestic political purposes, but in a spirit of true animosity towards Japan, there will be no more talk of compromise, co-operation or understanding, but undisguised preparations for war," the *Nippo* concluded.

Highways and railways now being built by the Nanking Government with the aid of foreign powers aim mainly at strengthening the nation's defences against Japan, the *Shanghai Nippo* asserted editorially May 29. The Sian-Chengtu railway line is being subsidized by Belgium, while negotiations are afoot for French assistance in the building of the Chungking-Chengtu railway. The Changsha-Kweiyang line, now nearing completion, will, according to the daily, play an important political and military role, further enhanced by the linking of the line with the French-controlled Yunnan railway. The Canton-Hankow line, the journal recalled, was built with the aid of Great Britain. The *Nippo* questioned the Nanking Government's objective in building a net of military highways around the northern provinces and creating military bases in Chengtu, Hankow, Hangchow and Sian.

JAPANESE TROOPS TO JOIN "IRREGULARS," SUIYUAN PREPARES TO RESIST ATTACK

Gen. Uyeda, Commander of the Kwantung Army, has decided to transfer one mixed brigade of Japanese troops from Hsinganlin to north Chahar through Jehol to join the "Irregulars," according to a Harbin message in the *Morning News*, Nanking. The decision is stated to have been made as a result of Gen. Uyeda's recent visit to Jehol and Chahar. According to the journal, ten Japanese submarines arrived at Pohai from Port Arthur on May 29.

A "war time" spring-crop plantation scheme is being enforced in Suiyuan, where district and village authorities are empowered to punish Chinese land owners who keep their farms idle, according to information from the Ministry of Industries. The project is being launched with the purpose of increasing food produce in that province, where the demand for food supply has been mounting owing to the "war" situation.

AMAU CALLS ON DR. WANG CHUNG-HUI, MORISHIMA RETURNING TO JAPAN

E. Amau, former Director of the Information Bureau of the Gaimusho, who arrived at Nanking May 31 from Shanghai, called on Dr. Wang Chung-hui, Minister of Foreign Affairs and Acting President of the Executive Yuan, in the afternoon. Mr. Amau also called on Hsu Mo and Chen Chieh, Vice-ministers of Foreign Affairs, and Kao Tsung-wu and Dr. T. T. Li, Directors of the Asiatic Affairs and Publicity Departments of the Waichiaopu respectively. In the afternoon Mr. Amau was entertained at a tea reception by Hsiao Tung-tse, C.E.C. member and Director of the *Central News Agency*, at the International Club. Mr. Amau returned to Shanghai June 1 to sail for Tsingtao. He will make brief stop-overs at Tsinan and Tientsin, and Peiping before returning to Japan.

Morito Morishima, Counsellor of the Japanese Embassy in China, left Peiping for Tokyo May 29 to report to the Gaimusho on his observations during his brief tour of Central and North China earlier in May. He is scheduled to return to his post in Peiping by the end of July, as soon as the Foreign Office formulates its "new concept" policy in China. During his recent stay there, Mr. Morishima presided at a conference of Japanese Consular officials stationed in the major cities of North China.

Motoki Matsumura, Japanese Consul in Nanking, was ordered May 30 to be attached to the Foreign Office as secretary. Yoshitaro Yamada, Consul in Amoy, was simultaneously appointed secretary of the Gaimusho and concurrently secretary to Foreign Minister Naotake Sato.

HOME MINISTER IMPRESSED BY PROGRESS IN NORTH CHINA

Gen. Chiang Tso-ping, Minister of Interior, arrived in Paoting, provincial capital of Hopei, May 31. Interviewed by press representatives at the Peiping station before his special train left for Paoting, Gen. Chiang declared during his recent tour to Chahar and Suiyuan, he was favorably impressed by the good progress achieved in these provinces. He particularly mentioned Tatung, where the mass training of the people was conducted in excellent manner. Gen. Chiang said after spending one day at Paoting, he will proceed to Tinghsien to inspect the mass education experiment there. From Tinghsien he will return to Nanking by way of Honan. Gen. Chiang also disclosed that he will visit Szechwan and Yunnan very shortly.

Talking of the result of his investigations, the Interior Minister said remarkable progress were seen in every place he visited and the self consciousness of the people was specially discernible. Gen. Chiang was optimistic on the outlook of the nation in face of the recent reconstructive developments throughout the country. Upon his return to Nanking, he will draw up a report of his observations for submission to the National Government.

GEN. CHIANG KAI-SHEK CANCELS LEAVE OF ABSENCE, WILL SOON RETURN TO NANKING

Having completely recovered his health, General Chiang Kai-shek, President of the Executive Yuan, has petitioned Central Party Headquarters and the National Government for the cancellation of his two-month's leave of absence, which expired May 31. A circular order announcing General Chiang Kai-shek's resumption of office has also been issued to the various organs under the Executive Yuan. Pending General Chiang's return to the Capital, the affairs of the Executive Yuan will continue to be in charge of Dr. Wang Chung-hui, Minister of Foreign Affairs and Acting President of the Executive Yuan.

Gen. Chang Kai-shek

Gen. Chiang arrived at Kuling aboard a Chinese gunboat May 27. During his stay there, the Generalissimo will personally supervise preparations for the summer tarining institute for army commanders in China. Accompanied by Gen. Chien Ta-chun, chief aide-de-camp, Gen. Chiang left Nanking on May 23, and enroute he made several stops along the Yangtse to investigate local conditions.

With the advent of the warm season, the Executive Yuan is planning to move its offices to Kuling as was the case last year. Dr. Franklin Ho, Director of the Political Department of the Executive Yuan, has already left for Kiukiang en route to Kuling to make the necessary preparations for the removal. Important staff members of both the Political Department and the Secretariat of the Yuan, it is revealed, are expected to leave Nanking in the middle of June to enable the transaction of Yuan business to start at Kuling by the first of July next. The four weekly sessions of the Executive Yuan during June, however, will continue to be held in Nanking as usual, under the acting presidency of Dr. Wang Chung-hui.

Beginning from July 1, the China National Aviation Corporation will open a daily air mail and passenger service betweeu Shanghai and Kuling. Planes will take off from Shanghai early in

the morning, arriving at Kiukiang at nine o'clock. They will stop over at Hsiakwan.

A cable tramway running 3,000 feet up the famous mountain resort at Kuling will be constructed shortly and will be ready in June 1938, *Central News* reported May 29. The project, which will be undertaken by a British firm, will cost $380,000.

DR. H. H. KUNG DECORATED AND RECEIVED IN AUDIENCE BY ITALIAN KING

Dr. H. H. Kung, China's Vice-President of the Executive Yuan and Minister of Finance, and Admiral Chen Shao-kwan, Chinese Minister of Navy, were received in audience May 30 by King Victor Emmanuel III of Italy. Dr. Kung's arrival at Rome drew considerable attention in the Italian Capital. Interviewed by the press, Dr. Kung said that relations between China and Italy have always been cordial and friendly since the day when Marco Polo forged the first link between the two countries. His presence in Rome, he hoped, will further bring China and Italy closer together.

One behalf of King Victor Emmanuel, Count Ciano, Italian Foreign Minister, presented May 29 the highest Italian decoration, the Grand Cordon de Lordre Saint Maurice Saint Lazare to Dr. H. H. Kung. Admiral Chen Shao-kwan was presented the decoration of Grand Cordon de Lordre de la Couronne. The presentation was held at an official dinner given by Count Ciano at which more than 120 high Italian Government officials were present.

An Italian guard of honor was waiting at the railway station when Dr. Kung and Admiral Chen, accompanied by Dr. C. Kuangson Young and several other members of Dr. Kung's party arrived at Rome from Geneva May 29. The party of Italian officials present at the station to greet Dr. Kung and his entourage was headed by Marquis Medici, representing Premier Mussolini; Count Viola, representing Count Ciano, Italian Minister of Foreign Affairs, and many other members of the Italian Ministeris of Foreign Affairs and Navy. General Liu Wen-tao, Chinese Ambassador to Italy, Shen Tsou-ton, Counsellor to the Chinese Embassy and other members of the Chinese Embassy staff as well as many Chinese students were also present at the station.

According to a *Transocean* message from Rome, the Italian newspapers published May 30 extensive biographies of Dr. H. H. Kung. The *Stampa* emphasizes his political sagacity which he displayed particularly during the time Marshal Chiang Kai-shek was held prisoner and declares that the Generalissimo's liberation was due to Dr. Kung's prudent government policy. This success strengthened the confidence in the national government at home and abroad. Dr. Kung told the *Stampa* that he felt great pleasure at being again able to stay in Rome which he visited for the first time in 1932. During his stay this time, Dr. Kung said, he hoped to acquaint himself with the latest achievements of Fascist Italy, above all with the drainage of the Pontine Marches of which accomplishment much had been heard in China. The relations between the governments in Rome and Nanking were described by Dr. Kung as "not only cordial and friendly but in the process of rapid development." Marshal Chiang Kai-shek had authorized him to study the economic, industrial, commercial and argicultural progress made by Italy, Dr. Kung stated. Special appreciative words about Italy's Foreign Minister, Count Ciano, were expressed by Dr. Kung. Count Ciano's excellent first-hand knowledge of the Far Eastern and Chinese affairs, concluded Dr. Kung, would be of inestimable value for the maintenance of good relations between Italy and China.

Dr. H. H. Kung arrived at Geneva from London May 26. Dr. Kung was accompanied by Quo Tai-chi, Chinese Ambassador in London, Dr. C. Kuangson Young, L. T. Chen, Secretaries, and two attaches. Joseph Avenol, Secretary-General of the League Council, entertained Dr. Kung and members of his party at dinner May 26. After the dinner, he attended a reception of A. J. Rajchman, former League liaison officer in China.

DR. KUNG SUMMONS CONFERENCE OF CHINA'S DIPLOMATS IN EUROPE AT GENEVA

The first meeting of Chinese Ambassadors and Ministers in Europe took place in the morning of May 27 at the office of the Chinese Delegation to the League of Nations. Attending the meeting were Dr. H. H. Kung and Admiral Chen Shao-kwan. The envoys participating in the conference were Dr. V. K. Wellington Koo, Chinese Ambassador to France; Quo Tai-chi, Chinese Ambassador to Great Britain; Cheng Tien-fang, Chinese Ambassador to Germany; Victor Hoo, Chinese Minister to Switzerland; Tsien Tai, Chinese Minister to Spain; Wunsz King, Chinese Minister to Holland; Wang King-ky, Chinese Minister to Sweden; Tchou Ngau-hsiang, Chinese Minister to Belgium; and Kung An-ching, Chinese Charge d'Affaires in Denmark. Also participating in the parleys were Dr. C. Kuangson Young, Secretary of the Chinese Coronation Delegation; Chen Ting, First Secretary of the Chinese League Delegation; Liu Chieh, First Secretary of the Chinese Embassy in London, and Chow Pai-fu, First Secretary. Dr. Kung acquainted the various envoys in detail about the conditions in China. At the second meeting in the afternoon of May 28 the Chinese diplomats reported on conditions in different countries. Dr. Kung called on President Motta of Switzerland, at 4 p.m. May 27. Dr. Kung inspected the new League building on May 26.

A billiant dinner was given May 28 by Dr. V. K. Wellington Koo in honor of Dr. H. H. Kung. Among those present were the President of the League of Nations Council, M. Quevedo, who is Ecuador's Minister to Switzerland, and the Egyptian Premier, Moustapha El Nahas Pacha. Seven foreign ministers and 40 delegates of various countries on the League Council were among the guests. These included Anthony Eden, British Secretary of State for Foreign Affairs; M. Litvinoff, Soviet Foreign Minister; M. Munters, Latvian Foreign Minister; M. de Graeff, Foreign Minister of the Netherlands; M. Spaak, Belgium Foreign Minister; Ghali Pacha, Egyptian Foreign Minister, and Yvonne Delbas, French Foreign Minister.

A well-merited tribute was said by D. G. M. Bernard, Chairman of the British & Chinese Corporation at its 39th General Meeting held at London May 5 to Dr. H. H. Kung, for "his invaluable support" in the re-establishment of China's credit abroad through resumption of service payments on railway loans. The efforts of Chang Kia-ngau, Minister of Railways, in settling the various loans and in imporving the administration of the National Railways were also warmly praised. Mr. Bernard, in his lengthy report on improved conditions in China, which was featured by all the leading papers including *The Times*, *the Daily Telegraph* and *Finance News*, said that he noted with much satisfaction that in the sphere of railway development and finance, there had been witnessed a general clearing up of loans in default. Speaking of trade prospects between China and Great Britain, Mr. Bernard pointed out that the exchange stability maintained since the enforcement of the new currency measures introduced by Dr. Kung in November 1935 and the appointment of Mr. Kirkpatrick to China would surely stimulate trade in the future. Mr. Bernard also observed that the unification of China had made satisfactory progress. In this connection, he said that the firm but patient policy of General Chiang Kai-shek had greatly contributed to this end.

GEN. YANG HU-CHENG SAYS NORTHWEST QUIET, WILL SOON GO ABROAD

Northwest is now peaceful and there can be no peculiar problem arising in future, declared Gen. Yang Hu-cheng, retiring Pacification Commissioner of Shensi, in an interview with a representative of the *Central News Agency*, when he arrived at Shanghai from Sian by air May 27. The Shensi Pacification Commissioner's Headquarters has already wound up its affairs, Gen. Yang stated, and all military matters are now in charge of the Generalissimo's Provisional Headquarters in Sian. The erstwhile Shensi military leader, who played an important role in the Sian Mutiny last December, was greeted at the Lunghwa airdrome by a representative gathering of officials and friends, including T. V. Soong, member of the Standing Committee of the National Economic Council, Gen. Yang Hu, Garrison Commander of Shanghai and Woosung, and several others.

Prior to his departure from China, Gen. Yang stated, he would seek an interview with Gen. Chiang Kai-shek, President of the Executive Yuan, and other high government leaders. His trip, Gen. Yang said, will last probably a year, during which he will first visit the United States, and then Europe.

An appeal to the people of Shensi and of the Northwest to plege unstinted support to the National Government and Generalissimo Chiang Kai-shek was made by Gen. Yang Hu-cheng prior to his departure from Sian for Shanghai May 27. In a farewell message, Gen. Yang stated that for the past six years he has exerted his utmost in serving the people, but the meager achievements made fell far short of even his own expectations. "My only hope," Gen. Yang said, "is that conditions will be much improved after my return from a trip to Europe and America, when I shall continue to work for the welfare of the country." Accompanied by Lieut.-Gen. Teng Pao-san, Commander of the reorganized First Division in Kansu, and several secretaries, Gen. Yang left Sian aboard an Eurasia plane for Shanghai.

GEN. YU HAN-MOU COMMENDED FOR TROOP REDUCTION

The reduction of the numerical strength of the 4th Route Army having been carried out in strict accordance with the wishes of the Central Government, a special telegram of commendation has been sent to General Yu Han-mou, Commander-in-Chief of the 4th Route Army, by the Military Affairs Commission. The Commission praises the ready compliance of the rank and file of the Army. The spirit shown, it states, will be an example for the other units of the country to follow in the program of troop disbandment.

Matters relating to bandit suppression along the Fukien-Kwangtung border will be discussed in Foochow early in June between Gen. Chiang Ting-wen, Fukien Pacification Commissioner, and Gen. Yu Han-mou, Kwangtung Pacification Commissioner.

NEW ACTING KWEICHOW CHAIRMAN SWORN INTO OFFICE

Gen. Hsueh Yueh, newly appointed acting Chairman of the Kweichow Provincial Government, was sworn into office on June 2. The oath of office was administered by Li Tze-wen and Chi Cheng on behalf of the Central Kuomintang Headquarters and the National Government respectively.

O. K. YUI SLATED FOR SHANGHAI MAYOR POST

O. K. Yui, Acting Mayor of Greater Shanghai, will soon be appointed formally by the National Government to become the Mayor of the Municipality, according to a special telegram published by the *Ta Kung Pao* May 29. Seeking for sometime to fill the post with a man well-qualified for the office, the National Government, the message states, has decided to name Mr. Yui to the post in view of his long service and excellent record as the Secretary-General. It was pointed out that the Government in promoting Mr. Yui desires to encourage civil servants who are honest and persevering in their posts. Born in Hsinhui, Kwangtung, 41 years ago, Mr. Yui is a graduate of the St. John's University. He first entered Government service when he became a secretary of the Ministry of Foreign Affairs of the Wuhan Nationalist Government. When Shanghai was made into a municipality in 1927, he became a Secretary of the City Government. From that post he later rose to the office of Senior Counsellor and acting Commissioner of Finance. In 1930, he was appointed Secretary-General of the City Government. In that post he had remained until the retirement of General Wu Te-chen, former Mayor, some two months ago, when he was named Acting Mayor.

—O. K. Yui

GEN. FENG YU-HSIANG RETURNS TO NANKING AFTER VISIT IN SHANTUNG

Gen. Feng Yu-hsiang, Deputy Chairman of the Military Affairs Commission, returned to Nanking May 30 from Taian where he attended the dedication ceremony of a memorial hall for revolutionary martyrs who gave their lives during the Luanchow Uprising in 1911. Passing through Tsinan May 29, Gen. Feng met Gen. Han Fu-chu, Chairman of the Shantung Provincial Government, who was Gen. Feng's former subordinate.

DR. C. T. WANG ASSUMES OFFICE AS CHINA'S AMBASSADOR AT WASHINGTON

Dr. C. T. Wang

Dr. C. T. Wang, the newly appointed Ambassador to the United States of America, has arrived at Washington and took up his duties on May 26. A cablegram to this effect has been received by the Foreign Ministry.

SZECHWAN SITUATION EASED, GEN. LIU READY TO CARRY OUT NANKING'S ORDERS

The most critical stage in the Szechwan situation has passed, according to arrivals in Nanking from Chengtu and Chungking. They admit, however, that the position was precarious about May 15 when it was just "touch and go" whether there would be fighting. After the interview between General Chiang Kai-shek and General Liu Han-shen, personal representative of General Liu Hsiang, much of the misunderstanding between the Central Government and the provincial authorities was cleared up, and both parties are now trying to reach an amicable solution of their difficulties.

General Liu Hsiang

The main questions to be settled are the division of power between the Central Government and the provincial authorities and the reorganization of over 200,000 Szechuen troops.

It is believed in Nanking that a formula will be found satisfactory to all parties concerned.

Definite assurance that General Liu Hsiang, Chairman of Szechwan, has completely accepted the Central Government's formula for the stabilization of the political conditions in Szechwan and the readjustment of the military affairs in that province was given by Liu Hang-shen, Szechwan Finance Commissioner, in press interview in Nanking May 28. Gen. Liu, he said, was not perturbed by multifarious rumors clustering to Szechwan, as it has been his policy to support the Central Government and to follow Generalissimo Chiang Kai-shek. It is an undeniable fact, the Szechwan Finance head asserted, that General Liu had pledged his allegiance to the Generalissimo ever since the commencement of the Northern Expedition in 1926. On the other hand, General Chiang has also placed absolute confidence in General Liu.

In compliance with the national program for consolidation, Szechwan is now ready to turn over its provincial air force to the Central Government, the *Central News Agency* reported May 31. A spokesman of the Szechwan Pacification Commissioner's Headquarters at Chengtu stated that the provincial arsenal will also be handed back to the control of the Central authorities.

General Liu Hsiang has decided to fly to Kuling to see General Chiang Kai-shek, President of the Executive Yuan, according to a report received at Nanking from Chengtu June 1.

In addition to accepting the Central Government's program for readjusting military affairs in Szchewan, Gen. Liu Hsiang has asked that practical measures be taken by the Central authorities also to supervise and direct the province's reconstruction projects.

MEASURES FOR READJUSTMENT OF EX-TUNGPEI TROOPS ANNOUNCED

Cardinal points in the formula for the readjustment of the ex-Northeastern troops formerly under command of Chang Hsueh-liang, which are to be put into force from June 1, have been made public by authoritative quarters. The readjustment consists in reorganizating the five armies of the ex-Tungpei force into national units. Following completion of the readjustment, it is learned, each of the five armies will be composed of two divisions, each division of two brigades and each brigade of two regiments, instead of the former system. High command of the five armies, it is stated, will not be changed, the respective commanders retaining their posts, namely:

49th Army	... ...	Liu To-chuen
51st Army	... ...	Yu Hsueh-chung
53rd Army	... ...	Wan Fu-lin
57th Army	... ...	Miao Cheng-liu
67th Army	... ...	Wu Keh-jen

With the former Northeastern Army now formally incorporated into the regular National Forces, the wages and rations of the rank and file will be allotted directly by the Ministry of War beginning from July 1 next, according to Gen. Ho Chu-kuo, Deputy Director of the Generalissimo's Provisional Headquarters at Sian, in a press interview at Kaifeng May 31. Despite their reorganization, men and officers of the former Tungpei Army will as far as possible continue to be employed, Gen. Ho further stated. Plans for their employment were mapped out before he left Nanking.

PANCHAN LAMA SAID LEAVING FOR TIBET IN JUNE

After repeated postponement in Kokonor on account of unfavorable weather, the Panchen Lama, Tibetan spiritual leader, will start his return journey to Lhasa in June, according to a message received at Chengtu from Kangting, May 31. The Tibetan spiritual pontiff who was originally scheduled to return to Lhasa last autumn is now in Yushu on the Chinghai-Sikang border.

70 SHANGHAI MONKS JOIN FIRST AID TRAINING CLASS

Seventy bald-headed monks from four of the leading buddhist temples in Shanghai will have some knowledge of how to help the injured in times of emergencies and war following their training in the Monks First Aid Training Class which opened in Shanghai June 1. This class, the first of its kind in Shanghai, is a supplementary organization of the Famine Districts Relief Corps operated by the China Buddhist Association. According to Miao Sing, buddhist priest and leader of the training class, the 70 monks who will receive instructions in first aid range from 21 to 35 years of age. Military training will also be given to the student monks in connection with the first aid class, Miao added.

Japanese Naval Budget to Reach Yen 800,000,000 Next Year—Premier Hayashi Resigns

Japan's naval budget for the next fiscal year will reach Yen 800,000,000, high officials of the Tokyo Navy Ministry predicted May 30. The budget for the current year is Yen 680,000,000. The officials said increased expenditures would be required for the construction of new warships and the expansion of the naval air force. Departmental estimates will be submitted to Admiral Mitsumasa Yonai, Navy Minister, in July. In the following three or four months, high Navy officials will work on the estimates, in an effort to pare them down to an amount likely to be accepted by the Treasury.

Tokyo Government Makes Frantic Efforts to Keep Price Index Down

With the index of commodity prices continuing to soar, the Tokyo Government May 31 began to draft concrete measures to protect the consumer. The newly-formed Price Control Commission, at its first meeting last week, ascribed the rise in prices to the sudden increase in budget expenditures. As higher prices vitally affect the Government's budgetary expenditures, including those for defence purposes, the Commission agreed on the need for immediate steps to check the upward trend of prices.

Japan to Institute State Control of Foreign Commerce

Officials of the Japanese Ministry of Finance are considering the establishment of a broad system of State control over the nation's foreign commerce in an attempt to formulate effective, basic measures to readjust the international balance. According to the Finance authorities and officials of the Yokohama Specie Bank, Japan will probably suffer a heavy adverse balance of some 500,000,000 yen in its international merchandise trade for the present year, because of the increasing imports of raw materials and partly manufactured goods necessary for the completion of national defense and for the augmentation of the country's productive facilities.

To meet a part of this large unfavorable balance, the Government has decided to embark on a third series of gold export shipments of about 50,000,000 yen. This means that Japan will export gold to the total of a little over 160,000,000 yen this year to replenish her foreign exchange reserves. With these gold shipments, and an estimated favorable balance of more than 100,000,000 yen in invisible trade, together with the strengthening of the Import Exchange Control Law, by which the importation of non-urgent and unnecessary goods will be restricted after August, Japan's international accounts for 1937 are expected to be balanced.

But, as *Reuter* points out, the question of balancing Japan's international accounts is not limited to this year alone. The financial inflation which has been necessitated by an expensive national rearmament program and other requirements is expected to be further pronounced in 1938, while imports of various capital goods required for the expansion of the productive power of the nation are expected to make a further drastic increase. In view of these considerations, an aggravation is held inevitable in Japan's future balance of trade. It is for this cogent reason that the Japanese Ministry of Finance has started to study permanent basic trade control measures to replace the existing Foreign Exchange Control Law.

Japan's Unfavorable Trade Balance Reaches Yen 538,804,000

Continuing its steady rise, Japan's unfavorable trade balance for the first five months of the year stood at Yen 538,804,000, or approximately twice its size at this time last year, on May 31, During the last ten days, a Ministry of Finance report revealed, imports exceeded exports to the tune of Yen 29,025,000.

Before tendering its resignation en bloc, the Cabinet decided to submit to the Throne three nominations for Imperial appointees to the House of Peers. Two of those nominated are members of the outgoing Cabinet. Named were: Koki Hirota, former Premier; Vice-Admiral Dr. Takuo Godo, Minister of Commerce and Industry, and Toyotaro Yuki, Minister of Finance.

Raw Cotton Import Control Organ Likely to Be Organized in Japan

With the raw cotton importers and the Japan Cotton Spinners' Association bitterly opposed to each other in regard to the imports of raw cotton, the *Chugai Shogyo* says the association side some time ago approached the Ministry of Finance with a demand for the licensing of the imports of raw cotton duly approved by the association as being actually needed. The demand was made along with the application for the alleviation of the import exchange licensing system. The Finance Ministry is of the opinion that some consideration is to be given to the stand of the raw cotton importers, and is not likely to act completely in accordance with the will of the association. The Finance Ministry is making a study of this problem with the co-operation of the Ministry of Commerce and industry. With little hope being attached to the amicable settlement of the troubles between the raw cotton importers and the cotton spinning companies under the prevailing situation, however, it appears that there is no other way for the solution of the problem than the organization of a control organ, such as the wool control association for the control of the wool imports, for the stabilization of the raw cotton import control. In case such a control organ is organized, raw cotton importers such as the Toyo Menka and the Kosho will become mere commission merchants getting commissions for their importing trouble. Under the circumstances, the future development of the control organ issue is closely watched in Japanese cotton circles. The Government is apparently favoring the idea of establishing a control organ for the reason that such a measure would serve to check the speculative purchasing to the part of the importers.

Ambitious N.Y.K. Building and Operating Program Revealed

Contracts for the construction of 15 freighters and seven high speed passenger-cargo vessels have been let out to Japanese yards by the Nippon Yusen Kaisha, Noboru Otani, president, announced at the half-yearly shareholders' meeting of Japan's largest shipping concern held in Tokyo May 28. Included will be three 16,500 ton ships capable of developing 21 knots to be assigned to the Japan-Europe run via Suez; two 11,700-ton vessels with a speed of 20 knots for the Japan-Australia route and two 10,600-ton motorships also with a speed of 20 knots for the Kobe-Seattle line. Eleven freighters displacing 7,000 tons developing a speed of 19 knots and four slower 4,000-ton cargo vessels were also in the program, he said.

Foreign Oil Companies in Japan Hold Out Against Storage Requirements

A *Reuter* message from Tokyo May 29 stated that in view of the importance of the oil storage problem in the Japanese Empire, the Korean Government has reached a compromise with the Japanese Ministry of Commerce under which the sales quotas of the "Rising Sun" and the Standard Vacuum Oil companies will be based on the actual sales volume in 1936, thus removing the present deadlock caused by a reduction in sales quotas.

It is expected that the Japanese Government will shortly notify the "Rising Sun" and the Standard Vacuum companies of the compromise in an effort to get these two concerns to take early action to comply with the oil storage requirements in Japan laid down by the Government last year.

Japanese Commercial Newspaper Fears London Talks May Hurt Export Japanese Trade

Negotiations for a readjustment of relations between Japan and Great Britain have not yet emerged from a preliminary stage, and, therefore, no definite conclusions on the matter in Tokyo can now be reached, it was officially stated May 31. Commenting on the current London conversations, the *Chugai Shogyo*, a prominent commercial daily, said that they apparently aim at achieving a gentlemen's agreement on large issues, rather than at a detailed treaty on concrete matters. Japanese business interests, the journal said, have recently manifested concern lest the negotiations eventually prove disadvantageous to Japanese commercial interests.

Japan Drafts Plans for Air Defence

With an eye to the next war, the Japanese Home Office, acting in collaboration with the Fighting Services, has drafted an elaborate program for defence against enemy air raids. The plan will be incorporated within the Air Defence Law, which is expected to be promulgated next April. The plan includes a provision that all major cities will be surrounded by a network of highways, permitting quick transportation of anti-aircraft units and evacuation of the civilian population from the attacked areas. All communications lines are to be put underground.

Sugiyama Says Women Needed for Munitions Industry in Japan

Gen. Sugiyama, War Minister, May 28 told the Cabinet that it was necessary to employ women in the munitions industry to replace men in time of emergency. The War Minister had just returned to Tokyo from a tour of inspection of munitions plants in Western Japan.

Two Japanese Destroyers Launched in Japan

Two destroyers—sister ships—were launched in Japan May 26, one at the Sasebo Naval Dockyard, Kyushu, the other at the Kawasaki Dockyards in Kobe. The first will be named the *Natsukumo*, the second the *Arashio*.

Japanese Radiophone Call Charges Reduced

A 20-per cent reduction in radiophone fees for European calls was announced May 29 by the Tokyo Ministry of Communications. The new rates went into effect on June 1.

Japan Negotiates With Siam for New Treaty

Definite progress in the negotiations for the conclusion of a new treaty of commerce and navigation between Japan and Siam was revealed in Tokyo May 29 by Gaimusho officials.

Huge Fines Imposed by Tokyo Court on Gem Smuggler

Nure Tecla, 45-year-old Syrian claiming French citizenship, was sentenced in the Tokyo District Court of Appeals May 29 to pay a fine of Yen 158,599.15 for evasion of Customs duties. He was also assessed a Yen 1,000 fine for having sold smuggled goods and ordered to pay Yen 1,652.30 in the form of additional duty. Tecla was arrested on September 16, 1934.

General Hayashi Resigns as Premier—Prince Konoye Forms Cabinet

A joint manifesto demanding the immediate resignation of the Cabinet headed by Gen. Senjuro Hayashi was issued May 28 by the two major parties, the Minseito and the Seiyukai. The manifesto, adopted by acclamation, demanded that the Cabinet resign in favor of a national cabinet, "in the true sense of the term."

Hayashi Resigns When Parties Open "War"

Beating a sudden retreat in the face of nation-wide opposition, the Hayashi Cabinet resigned *en bloc* May 31. Emperor Hirohito accepted the resignations, but commanded the Premier and his Ministers to remain in office until their successors were appointed.

The Government's action, which took the nation by surprise, occurred a few hours after the formal inauguration of the headquarters for a joint campaign by the majority Minseito and Seiyukai parties to overthrow the Hayashi Cabinet.

Japan Rightists to Form New Anti-Party Organization

Japan's powerful rightist organizations are making feverish preparations for the creation of a new body, opposed to the existing major political parties. The leaders of the movement are Lieut.-Gen. Yoshitsugu Tatekawa and Col. Kingoro Hashimoto, both retired. The former is being prominently mentioned as head of the new organization. Col. Hashimoto, who has just returned from a tour of North China, is the founder and President of the ultra-reactionary Dai Nippon Young Men's Association.

Prince Kimmochi Sainoji, the 88-year old "Genro," once more returned to his accustomed role as the "maker of Cabinets." Early June 1, he plunged into a protracted conference with Kurahei Yuasa, Lord Keeper of the Privy Seal, who came to the Prince's modest villa in Okitsu to seek counsel.

Prince Konoye Forms Cabinet

Prince Fumimaro Konoye, President of the Upper House and bearer of one of the most famous names in Japanese history, was commanded by the Emperor at 5.35 p.m. June 1 to form a new Cabinet. Prince Konoye is 46 years old. In 1918 he attended the Versailles Peace Conference as a member of Prince Saionji's suite. He became Vice-President of the House of Peers in 1931, and its President two years later.

The Army unconditionally nominated Gen. Gen Sugiyama, incumbent, to the War portfolio. The step was regarded as a major retreat of the Army from its self-appointed position of "sole propelling force" of the nation. The service, however, submitted an aide-memorie to the Premier-designate placing its emphasis on the need for rearmament and the strengthening of the air arm.

The financial policy of the next Cabinet, the outgoing head of the Treasury (Toyolaro Yuki, who was once the guiding genius of the vast Yasuda interests) predicted, would follow along the lines laid down by the present Cabinet. Japan's difficulties, Mr. Yuki asserted, can be settled only through the expansion of production. The new Cabinet, he added, would have to devote its attention to that problem. With expanded production, he went on, prosperity would be maintained for some time, although precautions must be taken against speculation, in money and commodities. The Government, Mr. Yuki recalled, promised to raise no taxes next year. This, he said, would necessitate strict economy in formulating the next year's budget, in order to make both ends meet.

The *Shanghai Lih Pao* commented: "That Gen. Hayashi fails to establish the Fascist regime in Japan indicates clearly that this system is strongly opposed by the people. To the Japanese military, the failure of establishing a Fascist regime is not due to anything wrong with the Fascist system but the general opposition to Gen. Hayashi. Japan is facing the serious problem of selecting a man to head the cabinet. If no outstanding military officer is ready to head the cabinet and with no financier ready to be Premier, it is probable that a naval officer will be appointed Premier of Japan to succeed Gen. Hayashi."

Panchen Lama's Return to Lhassa Once More Announced

The Panchen Lama, "Living Buddha" of Tibet and Special Cultural Commissioner for the Western Border, will start from Yushu, southern Chinghai, for Lhassa, capital of Tibet, in the latter part of July, according to a message from Kangting (Tatsienlu), eastern Hsikang. Food supplies and uniforms for the bodyguards of the Panchen Lama have been dispatched to Kangting by Teng Hai-shan, Director of the Chengtu Office of the Panchen Lama, for transport to Yushu, southern Chinghai.

Ambassador Yoshida Says Japan Wants to Be Friends with China

Japan's desire to be friends with China was reiterated by Shigeru Yoshida, Japanese Ambassador to Great Britain, in the course of an interview in London, June 1, on the Anglo-Japanese conversations in London. Mr. Yoshida expressed the belief that the East Hopei question could be settled without great difficulty with other North China problems. The Japanese people, he said, fully realized the importance to themselves of a prosperous China.

Tokyo Journal Discusses "Nanking's Self-Respect"

The following somewhat cryptic editorial appeared in the *Tokyo Nichi Nichi* May 27:—

"Against Japan's conciliatory attitude toward China of late there is observed in China a delicate change taking place in its attitude assumed toward our country. There recently occurred in China in close succession such affairs as the Chinese students' anti-Japanese movement in Peiping, the outrageous Swatow incident involving the unlawful detention and the serious wounding of a Japanese consular policeman, the activities of the Chinese "customs guards" near Tsingtao, and the unlawful firing of a Chinese patrol boat on Japanese vessels off Dairen. With all such unfortunate affairs occurring in close succession we could hardly think that they were mere trivial and fragmentary cases separate and unconnected with one another. Today the National Government's power for controlling the Chinese national movement as well as its policing power has been completely unified. Under the circumstances, our common sense would forbid the possible spontaneous occurrence of each such affair by its respective mere local will. Operation of the Chinese central government's will on each of such affairs could be naturally suspected.

"But then why must China unnecessarily stimulate Japan by causing a series of such unfortunate affairs? True, Japan outwardly may appear to reveal national disunity. Her international situation is not favorable, we would admit; while China's is just the reverse. Naturally, from China's point of view, Japan may look as if she could be easily managed. But nothing is farther from the truth. If that is China's belief, she is greatly illusioned. There is a potent undercurrent running in this country, and what a change is being wrought in this undercurrent lately is to be closely watched and examined by China. If China listens to our advice and her reason, she would realize that it would be far wiser for her to steadily push on her national construction work without needlessly giving any stimulus to this country.

"Today Japan's China attitude is on the whole conciliatory. She is desirous of effecting a satisfactory readjustment of the Sino-Japanese diplomatic relations. But Japan at the same time realizes how difficult it is to immediately restore the favorable international relations between the two nations. Japan is self-respectedly awaiting a right chance to cause full mutual understanding and cooperation. At such a juncture we see the successive occurrence of unfortunate incidents in China!

"But all such affairs happening in China will be rightly solved by the present strength of the Nanking government as well as its ready cooperation obtained in settling all these questions with the Japanese government whose latest attitude is observed to be very conciliatory. It is the wisest way for the leaders of the Nanking government to fairly grasp this potent fact and to rightly face the present situation.

"What country was it that was directly responsible for causing the past Manchurian incident and the Shanghai affair? But how many of the Nanking leaders at that time anticipated the breakout of the Manchurian incident by their mere superficial observation held of Japan's undercurrent running high back of the peaceful surface?"

American-Educated Chinese Textile Engineer Invents New Spinning System

After 30 years of study and experiment, Ban-lem Louie, a Chinese textile engineer, has perfected a new High Draft System for Ring Spinning Frames which, it is claimed, is different from and a vast improvement on, all previous systems. Application for patent rights has been made to the Ministry of Industry, Nanking, which has set its seal of approval on the new invention by duly registering the patent.

A native of Kwangtung, Mr. Louie was born at Taishan 58 years ago. He went to America where he studied at the Lowell Textile School and won his degree. Returning to China after his graduation, he took up the post of printing and finishing engineer with the Industrial Bureau of Kwangtung. He is now connected with the Wing On Textile Mills, Shanghai, in the capacity of engineer and is a professor of Nantung College.

The Ban-lem Louie High Draft System is different from all others for its chief characteristic is the using of a spring tensor on top and a fixed tensor in the bottom. It uses a spring tensor to control the top band on the middle top roll and the bottom tensor controls the bottom band on the middle roll, instead of a fixed tensor or a small roll. At the same time, the spring tensor has enough elasticity to control the bands when the roving passes through them. This makes the yarn more even and stronger than any other method. Although the spring tensor has three forms, its efficiency is unchanged. The length of the forks in the A top spring tensor is changed in accordance with the diameter of the middle roll.

Dr. Chu Min-i Reports on the Yunnan Motor Bus Expedition

An interesting report on the recent Nanking-Yunnan motor-bus expedition, of which he was the head, was made by Dr. Chu Min-i, Vice-Chairman of the Central Party Cultural Affairs Planning Committee, at the weekly memorial service at Central Party Headquarters in Nanking May 31.

Dr. Chu said that the expedition was planned and carried out under the auspices or the Executive Yuan. Starting out from Nanking on April 5, the expedition was composed of 180 persons, of whom 108 were members and the rest engineers and drivers.

Proceeding in a south-westerly direction, the expedition passed through the five provinces of Anhwei, Kiangsi, Hunan, Kweichow and Szechuan to its destination, Kunming, the provincial capital of Yunnan, completing the journey in 24 days, of which 106 hours were actual travelling time. If, Dr. Chu stated, travelling is done at the rate of 10 hours daily, the Yunnan provincial capital can be reached from Nanking in 10 days. However, an ordinary traveller by motorcar can complete the journey in 7 or 8 days.

Besides writing a new page in the history of transport in China, Dr. Chu continued, the expedition also made a great contribution to the feeling of national solidarity. With the opening of the Nanking-Yunnan Highway, economic, agricultural and industrial development will be accelerated. This disproves the criticism that highways are of little benefit to the people.

The highways of Hunan and Kwangsi are the best, surpassing those of Kweichow and Kiangsi, Dr. Chu continued. In Anhwei, owing to transportation by day and night of materials for the construction of the Nanking-Kiangsi Railway, a section of the highways was badly damaged. The highways of Yunnan are the most artistic, the surface being paved with red earth and the sidewalks marked out with white chalk.

Henceforth, the Government should pay special attention to the construction of branch highways and railways in Hunan, Kwangsi, Kweichow and Yunnan, with a view to linking up these South-western provinces.

In the course of the journey, Dr. Chu said, the expedition received numerous petitions from the people, especially in Kweichow, expressing grievances against the local officials. Besides referring the minor grievances to the provincial Departments of Civil Affairs concerned, the expedition will forward the more serious complaints to the Executive and Judicial Yuans for attention.

In Yunnan, Kweichow and Hunan, Dr. Chu said, the expedition was also welcomed by the people of the Miao tribe. The Miaos are gradually being assimilated by the Chinese; many Miao children are studying in the same schools with the Chinese. It is therefore unnecessary to devise special measures for their education and treatment. In one or two generations, the Miaos will be completely assimilated by the Chinese.

After arriving at Yunnanfu, the expedition broke up into two parties, one group going north to Szechuen and disbanding at Chungking; and the other going to Kwangsi and finally disbanding at Hengchow, southern Hunan.

While proceeding south, Dr. Chu added, he paid a visit to the border districts, and inspected the Yunnan-Annam Railway. This railway should serve as a model for the proposed Yunnan-Kweichow Railway.

Referring to economic conditions in the various provinces, Dr. Chu said that in view of the flourishing tin and wood oil industries, the exports of Kwangsi and Yunnan are in excess of the imports.

Throughout the journey, extending over about 3,300 miles, the expedition met with no accident. A general report is being compiled for submission to the Central authorities, and a public exhibition of the pictures taken by the expedition will be held shortly, Dr. Chu said. In conclusion, Dr. Chu emphasized two things:

(1). The Government should establish more institutions of higher learning in the frontier provinces, with a view to elevating the cultural level of the frontier population. In Kweichow province, for instance, there is not a single university at present, while in Hunan there is only one. In Yunnan and Kwangsi, the universities are poorly equipped. In Peiping and Shanghai, however, there are more than ten universities. This concentration of higher education in a few cities should be remedied.

(2). The economic situation in the frontier provinces should be ameliorated. It is not desirable that the wealth of the nation should be concentrated in Shanghai. The frontier districts must be developed with a view to exploiting the natural resources and alleviating the plight of the people.

The promotion of mass education and the equitable distribution of wealth, Dr. Chu said, are indispensable for the regeneration of the nation.

Soviet Russia Leads as World's Greatest Freight Carrier by Airplane

Tass advices from Moscow state that civil aviation in the U.S.S.R. ranks first in the world in the amount of freights and mail transported by it. As to passenger traffic, the U.S.S.R. has surpassed the leading European countries and is second only to the United States. The plans for 1937 provide for further growth of mail and freight transportation. Thousands of tons of lead, zinc, molybdenum and other ore concentrates will be transported by air from the districts where they are produced because it is difficult to use other types of transport.

Japanese to Build Second Giant Monoplane

Satisfied with the performance of its first long-distance experimental machine, the Aeronautical Institute of the Tokyo Imperial Univerity announced May 27 that it would shortly start the construction of a second similar craft.

Designed so that it may circumnavigate the globe with only three refuelling stops, the first airplane came up to the expectations of its builders when it gave evidence of exceptionally high buoyancy in a brief flying test at the Haneda airport in Tokyo last week. According to Capt. Yuzo Fujita, army test pilot, the machine took to the air after a run of only 250 meters and attained a height of 1,000 meters in five minutes. It, however, required 12 minutes to descend, Capt. Fujita said.

The experimental craft is equipped with a single 600-horse-power motor. In the air it will have a maximum speed of only 280 kilometers an hour, slow for modern machines. Its outstanding characteristic, however, will be its ability to cruise at a speed of 200 kilometers an hour for 13,000 to 16,000 kilometers non-stop. The present non-stop flight record of 10,601 kilometers was set up by two Frenchmen on March 23-26, 1932.

Tientsin-Tokyo Air Service Inaugurated—Gold Fish and Good Will

Gold fish and goodwill messages were sent from Tientsin to Tokyo June 1 when the Hui-Tung Kungssu, a Sino-Japanese concern, inaugurated a direct Tientsin-Tokyo air service. The live fish were present to leading Government and aviation officials in the Japanese Capital. The messages were from the Hopei-Chahar Political Council to the Ministry of Communications; from the Mayor of Tientsin to the Mayor of Tokyo; from the President of the Hui-Tung Kungssu to the President of the Japat-Manchuria Airways Company.

French Government Puts Ban on Proposed Flight to Tokyo

The three French aviators, Alfred Lacaze, Maurice Populinguen, and Andre Vibert, who had planned to make an attempt on the trip from Paris to Tokyo in less than 100 hours, have been refused permission by the Paris Air Ministry to make the attempt. They are only authorized to race to Hanoi, but it is possible that, if they find there that conditions are favorable to continuing their flight to Tokyo with good chance of success, special authorization will be given.

13 Die in Air Crashes on Britain's Empire Day

The celebration of Empire Air Day throughout Great Britain May 29 was attended by a disastrous loss of life, with no less than 10 people killed in air displays in various parts of the country. In addition, three others perished in air accidents, bringing the number of persons killed in air crashes in England during 24 hours to 13.

C.N.A.C. to Start Daily Air Service to Kuling

Beginning June 1 the China National Aviation Corporation opened a daily air mail and passenger service between Shanghai and Kuling. Planes take off from Shanghai early in the morning, arriving at Kiukiang at nine o'clock. They will stop over at Hsiakwan.

Colonel Lin Wei-chen Takes Over as New Head of C.N.A.C.

Colonel Lin Wei-chen, the newly-appointed Managing-Director and Vice-President of the China National Aviation Corporation took over office from Dai En-ki June 1. Colonel Lin has a long and out-standing record with the National Air Force, being one of the first flying officers associated with the late Dr. Sun Yat-sen, and was the chief air force commander in the Northern Expeditionary Force of the National Government in 1926 under General Chiang Kai-shek. Colonel Lin has spent most of his time in active service in the South—Kwangtung and Kwangsi.

British Engineering Firm to Build Cable Tramway to Kuling Resort

Travelling to Kuling, which is at present being done by sedanchair over treacherous mountain paths, will be revolutionized by summer next year as the authorities have decided to build a cable tramway up the mountain resort. Present plans call for the completion of the tramway in June next year and the formal inauguration of the service in July. Only 10 minutes will then be required to reach the 3,000 feet mountain top. The contract will be awarded to a British engineering firm, whose tender of $380,000 has been accepted.

Great Britian Not Ready to Lend China Cash, Says Japanese Paper

Regarding the conferences between Dr. H. H. Kung, Chinese Delegate to the British Coronation, and the British authorities for the contracting of a big loan, the alleged British attitude was summarized in a telegram from London in the *Shanghai Nichi Nichi* May 21 as follows:

(1) Because of the unstable political situation in the Far East, Great Britain in not ready to lend cash to China;

(2) If China has a definite program of reconstruction, Great Britain will be ready, however, to supply building materials in the form of loans, and

(3) As the stabilization of the Far East depends on the co-operation of Japan, Great Britain is not ready to take any definite action before the forming of a definite policy by Japan toward the general situation.

China Merchants Steam Navigation Company to Issue $100,000,000 Debentures?

The Nanking authorities are studying the plan of the China Merchants Steam Navigation Company to increase its capital by $100,000,000. It is reported that according to the plan, $30,000,000 will be spent for the building of new ships, another $30,000,000 for the readjustment of old loans, $30,000,000 for the improvement of the godowns and wharves of the company, and $10,000,000 as current capital. It is reported that the authorities are considering the issue of debentures for the required amount.

Kwangtung Issues $30,000,000 Subsidiary Notes

Without the permission of the Central Government, the Kwangtung Provincial Bank has issued $30,000,000 worth of subsidiary notes, the *Ta Mei Wan Pao* of May 31 stated. It is reported that the bank has issued altogether $38,000,000 subsidiary notes.

Japanese Banks Discuss Plans for Reinvesting Loan Revenues in China

The possibility of re-investing in China the proceeds of the interest on Japan's loans to that country was taken up for discussion between the Foreign and Finance officials and representatives of the Japanese banks which have capital investments in China, at a meeting sponsored by the Tokyo Foreign Office May 26.

Various proposals for facilitating the Chinese payment of loans in default were considered by the conferees.

The *Osaka Mainichi* stated that much significance was attached to the present move of the Kasumigaseki Office inasmuch as it indicates that the financial scheme will be added to the Sino-Japanese economic cooperation plans of Foreign Minister Sato, including the following:

1.—The proposed establishment of a "national policy" company for economic activities in the Yangtsze valley.

2.—The recent visit of the Kodama economic mission to China.

3.—Creation of an economic and commerce section in the Japanese embassy in China.

4.—Creation of an economic investigation section in the research department of the Foreign Office.

Among those attending the meeting were: Itaro Ishii, chief of the East Asia bureau of the Foreign Office; Shinichi Kamimura, chief of the 1st section of the same bureau; Chuzo Sekihara, chief of the financial management bureau of the Finance Office; and Suehatsu Umekita, chief of the state bond section of the same bureau.

The banks represented in the conference were the Industrial Bank of Japan, the Bank of Taiwan, the Bank of Chosen, the Sumitomo Bank and the Dai-ichi Bank.

Japanese Cotton Interests in China Agree to Pay Increased Consolidated Tax

An agreement was reached last week between the Japanese interests and the Finance Ministry of the Chinese government to climax the recent negotiations for revision of the consolidated tax on cotton yarn, according to Shanghai dispatches in Japanese papers. Following a general meeting the Japanese Cotton Mill Owners' Association in China agreed to the original plans forwarded by the Chinese Finance Ministry regarding the revised rates of the consolidated tax,.

Effective on July 1, the new rates of the consolidated tax on Japanese cotton yarn will be as follows: (Unit, dollar per 100 kilograms).

Counts	*Duty*	*Previous rate*
Up to 17	5.00	4.574
Up to 23	5.75	4.547
Up to 35	7.50	6.203
Above 36	10.00	6.203

Commenting on the revised program for the consolidated tax, Japanese trade circles in Shanghai were quoted as saying that those Japanese manufacturers engaged in the production of superior articles would suffer considerably following enforcement of the new tax plan. The effect on the Japanese is said to be far greater than that on the Chinese manufacturers.

By dint of the revised tax program, the Nanking government treasury is expected to secure an additional income of $5,000,000 annually. It is revealed in this connection that the revenue during the past fiscal year collected from the Japanese cotton dealers aggregated $10,114,000, that from the Chinese $13,053,000, and that from the British $864,000, the grand total amounting to $24,031,000.

Tientsin Customs Protest Once More Against Activities of Japanese Smugglers

Tientsin Customs authorities May 30 served a second protest with the Japanese Consulate-General in that city over the unruly activities of Japanese ronin smugglers in the area of the Hsiao Hsi Men barrier. Ever since the occurrence of the incident of May 12 at said barrier, during which one Customs agent and one policeman were carried off by the ronins only to be released later upon Chinese representations, armed Japanese smugglers have become more threatening in attitude, it is stated. Practically every night since May 12, official reports state, from seven to nine truckloads of contraband were brought through the Hsiao Hsi Men barrier under escort of a group of armed Japanese smugglers between midnight and 1 o'clock in the morning. The tactics they have employed regularly, it is emphasized, were first to occupy the barrier by force, while letting the trucks pass through, ready to use force against interference of Customs agents.

Record Time Made by Japanese Smugglers

The *Ta Wan Pao*, of May 27 stated that record time was made by Japanese smugglers who shipped more than 6,000 packages of contraband goods to Tientsin along the Peiping-Liaoning Railway within a few hours. Of the 6,000 packages of contraband goods from Dairen, 5,000 were transported there by the 140th and 270th trains of the Peiping-Liaoning Railway at night, while the other 1,000 packages reached Tientsin next morning. The "good work" of the smugglers was attributed to the assistance offered by armed Japanese police, who rendered protection to the smugglers in transferring the contraband goods to the Japanese Concession. While the smuggling was proceeding, Chinese Customs officers, being unarmed, all stood at a distant place and adhered to their "wait-and-see" policy.

Armed Japanese Trawler to Convoy Japanese Fishing Vessels Off Tientsin

Alarmed by the reported attack on a Japanese fishing smack off Tangku (allegedly by a Chinese Customs cruiser), the Kwantung Fisheries Guild this week decided to dispatch an armed trawler to the Gulf of Chihli.

Capt. Takasaki was wounded at 2 o'clock on Sunday afternoon, at a point 18 miles southeast of the Tangku lighthouse. The attacking vessel, the wounded officer said, was a Chinese Customs cruiser, either from Chefoo or Tientsin. His ship, the 43-ton *Choshu Maru* No. 1, was subsequently boarded by Chinese Customs officials, he charged.

Another Japanese smack, the 49-ton *Shimade Maru* No. 7, with a crew of nine men, succeeded in escaping from the Customs vessel, the Japanese report said.

The Dairen water police, it was stated had filed a complete report with the Kwantung Bureau, for reference to Consul-General Tateki Horiuchi, in Tientsin.

70,000 Copper Coins Seized by Customs Authorities from Japanese on British Boat

An attempt of Japanese ronin to smuggle more than 70,000 copper coins was frustrated May 27, when the coins were confiscated by Customs inspectors on board the s.s. *Tsinan*, a British boat, leaving Shanghai for Hongkong.

Japan's "New" China Policy Very Much Like the Old One

The Tokyo *Asahi's* correspondent in Shanghai wired May 26 that a "new" China policy is to be enforced, but the three basic principles remain unchanged. In connection with the meetings last week of Japanese officials in China (who held conferences both at Shanghai and Tientsin) the *Asahi* correspondent said the conferences had agreed to enforce the "new" policy in accordance with instructions from Tokyo; however this "new" policy does not present any radical departure from the old policy, but a fresh element has been added in accordance with a shift of the objective situation. It was agreed by the conferees that Japan's "legitimate" demands will be adhered to, but if China co-operates sincerely then Sino-Japanese friction was expected to be gradually removed.

Match-Maker—China's Cupid

BY T. S. YOUNG

CUPID in China is not a legendary figure represented by a winged boy armed with a bow and arrows, but an ordinary human being who eats rice and pork as any other Chinese. Cupid in western countries is a God of Love, but as we condemn such sensuous passion as love, so we never have had a God of Love, although we have worshipped deities of the hundred and one different appellations. The specialty of our Cupid—the match-maker—is not to instill love into the hearts of young persons, but to bring strange boys and equally strange girls together to live as husbands and wives for the sole purpose of bringing forth offspring. The task seems to be simple enough, but in actual doing, it often proves to be tedious and tiresome. For in China, girls, like commodities, must be "purchased" even in marriage, and a match-maker must use appropriate tactics in negotiating the price and closing the deal. Besides, he takes a prominent part in the ceremonies of betrothal and wedding, and has also to affix his signature to a marriage certificate. He is indeed an indispensable person to our institution of marriage.

At the time when young boys and girls have enough liberty to mix themselves together, and plenty of chances to seek their own mates, a match-maker appears to be a superfluous person. But in spite of the emancipation of our womanhood and the growing popularity of the imported Cupid among our young people, we can not yet totally dispense with the services of a match-maker.

Our modern youths, who have chosen their own mates and fixed up the terms of marriage themselves, have still found it appropriate to invite their intimate friends to act as their match-makers, so as to make-believe that their marriages are not of their own making, contrary to the established procedure. We simply can not accept any match as being properly made without the participation of a match-maker. We, as a rule, are very particular about established forms and procedures, and anything which does not comply with them will not appeal to us as decent and proper. Therefore in the so-called modern marriages, a match-maker still serves a useful purpose for the sake of form only, if for nothing else.

I always wonder what would have become of our society in the old days if there had been no match-makers. We really need not go very far back to seek their raison d'etre, and we can easily realize their usefulness by imagining ourselves living at the time of pre-Revolution days, when the young girls were hermetically shut up in their homes like caged birds, when no venue was opened to provide social intercourse between sexes, when marriage was regarded not as a result of love but as a natural episode of life, and when women were considered as nothing more than "machines of reproduction." As "machines of reproduction," our women were bought and sold through the good offices of match-makers, who virtually played the role of a salesman in the marriage mart. But for their services, all "machines of reproduction" would have been left to rust and rot, and China would not have been able to boast of such a large population as she is today. Even to the present day, when the word "love" looms very big in the eyes of young persons, marriages, in nine cases out of ten, are still being promoted and arranged by match-makers.

Mates, Not Education, Is First Thought Among Chinese

In China our first care for our children is not their education but their mates. Right after their birth, we would immediately get ourselves busy in soliciting the kind assistances of our numerous friends to keep a watchful eye in finding suitable mates for them. We would become restless and sleepless at nights, if our children are not mated after reaching their mature age. Some early birds would go so far as to fix up the engagements of their children, when the latter are yet in the swaddling cloths, for they hold the belief that the earlier their children are betrothed, the sooner their anxiety is over. As no one likes to live continuously in anxiety, so our children are generally engaged at a very early age, before they are intelligent enough to know anything about engagement and marriage. What is the use for them to know anything about these matters, since in our daily parlance, a young man's marriage is not called his marrying a wife, but his parents' taking in a daughter-in-law?

Match-makers, like salesmen, can not be expected to tell nothing but truth in carrying on their "trade." In their anxiety to consummate the "sales," they naturally have to use effective sales talks to assail the weak spots of human nature. In the days when photography was not known to this country, it all depended upon the glib tongue of a match-maker to portray the beauty of a girl. It often happened that an alleged peerless beauty finally turned out to be a cripple. Since nothing was available to probe the allegations of a match-maker, even the less credulous ones had to take them for granted. An enterprising match-maker might bring with him a girl's satin slipper to testify the small size of her "golden lily," when small feet were the fashion of the day; but who could tell if it was not of her grandmother's? This, however, was the most a match-maker could do. As a matter of fact, we had to be content with whatever information was supplied by a match-maker, for we could not afford to incur his displeasure by casting any suspicion over his words. Thanks to the invention of photography, we can now demand a girl's picture and get a glimpse of her look at the time of match-making. But even then, sometimes a bride on the wedding night proves totally a different girl from the one as represented by the picture.

This gross and wilful misrepresentation on the part of match-makers is indeed condemnable; but on second thought, we must admit that their misrepresentation is sometimes justified by the fact that should they be honest enough to conceal nothing, how can the pock-faced hare-lipped, and hunch-backed girls get their chances of being married? Anyway, why should we care about any physical defects on the person of a girl, when we have been taught to look at our wives not as ornaments but as "machines of reproduction"? Pock-faced, hare-lipped, or hunch-backed girls will serve our purpose just the same, provided they are prolific. Moreover, we can always find consolation by attributing everything to fatalism. When an alleged beauty turns out to be deaf and dumb, we contend that it is an act of God, and has nothing to do with the mischief of a match-maker.

Women Make the Best Match-Makers

Doubtless, women are better match-makers than men, for they can not only make direct approaches to the mothers of eligible girls and boys, but they can also have leisure hours at their disposal to make frequent contacts. They can afford to spend days and nights in promoting marriages and bargaining over the prices either over the tea-cups or across the mah-jongg tables. Besides, women's intuition, patience and talkativeness make them easier to master the art of match-making them men. I believe that most of our marriages have been primarily promoted and effected by women. But so far we have not given them much credit for playing this important role, for our customs and traditions have compelled them to remain in the background to pull the strings, unknown and unheralded. With the change of time, certain it is that female match-makers will also come out in the open to stand side by side with male match-makers in officiating at marriage ceremonies.

While we generally refrain from meddling with other's affairs, we, however, do not observe that principle in match-making. We are always prepared to spend our time and efforts in seeking eligible boys and girls, make investigations and enquiries, and put our shoulder to the task of match-making. We, as match-makers, are too realistic to bother about such an abstract thing as the happiness of marriage, for we would consider any marriage a highly successful one, if male children can be produced in profusion. As sterile women are scarce, so most of our marriages are pronounced successful. Sould a woman not be able to bring forth any male child, it is not the fault of a match-maker for no match-maker can guarantee the productivity of any woman. Besides, this misfortune, if it can be so called, can be easily repaired by the taking of a concubine.

The Reasons for a Match-Maker

We are willing to be match-makers not without reasons. Sometimes, for the sake of friendship, we have to oblige our friends by promoting a match between a boy of one friend and a girl of the other. We incline to believe that we can render no greater service to our friends than to find mates for their children. This service, moreover, is of a mutual kind; when we serve our friends, we expect them to serve us in the same way. Only by virtue of this mutual help, our sons and daughters will not be left unmated. Aside from the motive of friendship, many of our people seek pecuniary gains from match-making. They are professional match-makers, the majority of whom are women of the low class. As their primary objective is to get the remuneration for their services, they naturally will not give any thought to the compatibility and suitability of the matches under their promotion. It goes without saying that the happiness and welfare of many of our boys and girls have been annually sacrificed by these artful and self-centered match-makers.

Again, our superstitious persons are enthusiastic in playing the role of a match-maker for religious reasons. It has been alleged that match-making is a good deed, and that any one who can succeed in promoting three matches will be rewarded by Heaven. Who will not do something to get a Heavenly reward? Thus for the purpose of "patting the buttock" of God, our superstitious persons have found zeal in promoting matches. Finally, our political aspirants sometimes also become match-makers for political reasons. Nothing is said to be easier to win a political job or a promotion than to promote a match between the children of two high officials. It is an open secret that quite a few of our officials have been succeeded in securing fat political jobs simply because of their ability in arranging political matches. Thus with the help of these match-makers for different motives, every man in China has been able to secure a wife, and a "machine of reproduction," no matter how defective may be its outward appearance, can always find a purchaser in the marriage mart.

What Should Be the British Policy During the Sino-Japanese Crisis?

BY C. Y. W. MENG 孟長泳

THE present Anglo-Japanese "conversations" in London concerning the situation in the Pacific, together with the holding of the Imperial Conference, where discussions of Pacific problems were also included in the agenda, are viewed by the Chinese with mixed feelings of joy and fear. It is the spring of hope as well the winter of despair. It may mean peace between China and Japan when these two countries, once at loggerheads, meet again on good terms through Britain's brilliant diplomacy and dignified actions in the form of "good offices," so frequently offered by a third party to affect re-adjustment of relations between two disputant parties. It may mean war between China and Japan, if China is disappointed by the failure of certain principal powers to stand for justice and peace, as a result of which China may be given no alternative other than to go to war with the aggressor, irrespective of consequences.

We use a the term "mixed feeling of joy and fear" not without reason. In 1915 when Japan was forcing China to accept her "21 Demands," the British Minister to China, (Sir John Jordan) in his "advice" to the Chinese Minister of Foreign Affairs (Lu Chung-ling), advised China "to bear the humiliation to avoid the danger," and "to wait patiently for another ten years to raise up your head and then meet Japan face to face." But at the Paris Conference, China discovered that the concession of privileges in Shantung Province had been secretly agreed between Great Britain and Japan long ago. This was an instance when Great Britain stood for the aggressor at the expense of the victim. In the eyes of the Chinese it amounted to nothing short of a "betrayal" of China by Great Britain!

On the other hand, in 1921, at the Conference of the Prime Ministers and the Representatives of the United Kingdom, the Dominions and India, held in London from June 21 to August 5, 1921—shortly after the visit of H. I. H. Hirohito, the Crown Prince of Japan—the question of renewal of the Anglo-Japanese Alliance was considered. But the historians tell us that the British dependencies were instrumental in securing abolition of the Alliance, which actually took place at the Washington Conference. One of the good effects of the abolition has been that, while the Alliance lasted, not only the hands of Great Britain were tied as far as Japan's aggressive policy on the Asiatic Mainland was concerned, but also Great Britain had to forsake the policy of the Open Door in China. This is an instance when Great Britain bowed down before public opinion, and yielded to the wishes of her dependencies dropping her traditional ally—the aggressor—and paved the way for the international conference and for the conclusion of the Nine-Power Treaty.

British Policy in the Past Worries the Chinese Greatly

Today, the Chinese always ask and wonder what Great Britain will do this time? Whether there will be another "betrayal" of China, or whether the Imperial Conference, now in session in London, will again play a leading role in the British foreign policy, or whether the British dependencies will again prevent their "Mother Country" from having any secret dealings with Japan, and again advocate and urge "Anglo-American co-operation" to preserve peace in the Far East, we do not know. But so far, the Chinese have worried very much about the British policy in China.

In the past, the British policy was essentially a policy of "let the aggressors go on, and don't offend them." The Non-Recognition Doctrine would have been in full force, and might have thwarted Japanese aggression in China had there been sympathetic co-operation from the British Government; had Great Britain not adopted a policy of "friendly to both" (China and Japan). Those who have read over Mr. Stimson's famous book—The Far Eastern Crisis—will conclude unanimously that Great Britain should be blamed and held responsible, at least partially, for the aggravation of Japanese aggression in China today.

Secondly, although the Anglo-Japanese Alliance was abolished some 15 years ago, recollections of the "old" alliance still persist in the minds of some people in both countries. So whenever Japan is in difficulty, Japanese militarists always believe that the "revival" of the alliance with Great Britain is the "way out" for Japan! In the past, we have heard numerous reports concerning the revival of the alliance and conclusion of some "secret understandings," etc. There is no doubt that the Japanese militarists are making some desperate attempts along this line. At the same time, the favorable response from Conservatives and pro-Japanese elements in Great Britain have further encouraged the Japanese militarists to place more confidence in the revival of the alliance. It is said that Mr. Baldwin, now retired, and Mr. Chamberlin, the new British Prime Minister, are the men whom the Japanese militarists have always regarded as *personas gratas* to reach further Anglo-Japanese understandings!

Thirdly, let it be recalled that in 1934, a British Mission was dispatched to Japan and Manchukuo. (The dispatch of this Mission to Manchukuo was bitterly condemned by the Chinese). According to reports, some members of the Mission even advised the British Government to abandon the principle of "non-recognition" of Manchukuo, adopted by the League of Nations. According to another report, when Sir Frederick Leith-Ross first came to China, he also advised China to accord recognition to Manchukuo, probably very much in the same way as Sir John Jordan advised China before, namely "to bear the humiliation to avoid the danger, and to wait patiently for another 10 years to raise up your head and to meet Japan face to face." His "unthinkable" advice was, of course, at once rejected by the Chinese Government.

We cite all these incidents to show that the Chinese "fear" of British "betrayal" is not altogether without foundation.

Any Change in British Policy?

In recalling these matters we do not mean to insinuate that the British will always betray China at some critical moment. No. Recently, we know there has been some change in British policy in the Far East. After the failure of Sir Frederick Leith-Ross's mission to Japan, when he attempted twice to reach some understanding with the Japanese militarists Great Britain was convinced that Japan was too "intoxicated" by militarism, and there was no way to make them more conciliatory. Great Britain was also convinced that a "strong China" is the best way to maintain peace in the Far East and to protect British interests in the Pacific. This explains why, since then, more moral and material assistance has been coming from Great Britain to China to make "a strong China." W. M. Kirkpatrick, a high export credit official in London, was at once dispatched to China to discuss Sino-British "co-operation" and the conclusion of a big "credit loan," etc. At the same time, the construction of Singapore as a strong British naval base in the Pacific and other fortifications in other places was rushed. The "£400,000,000 military budget" was also adopted by the British Government to the surprise of the Japanese militarists.

Japan "Courting" in London

The Japanese militarists certainly began to feel uneasy when all these things began happening. This explains why the "Keelung Affair" (where three British sailors were mistreated and beaten by the Japanese police) was quickly settled. So here begins the Anglo-Japanese conversation in London, the purpose of which, as far as the Chinese can see it, is three-fold:

(1) It is to give "explanations" to London on the purpose and aim of the German-Japanese Alliance, the conclusion of which, contrary to the Japanese expectation, has placed Japan in a more isolated position; and has intensified Anglo-French solidarity, which nullifies much of the usefulness of the alliance. So Japan comes to explain and to seek for an understanding and to plead for co-operation with Great Britain.

(2) It is concerned with armament and naval expansion in the South Seas. As both Great Britain and Japan are taking vigorous steps to construct naval bases and other fortifications in the Pacific, the struggle for hegemony in the Pacific begins. So Japan wants to have some understanding and agreement with Great Britain.

(3) It must concern China. To alienate Sino-British co-operation is one aim, and to urge the British to recognise the *fait accompli* situation in China is the other. To request Great Britain to keep "hands off China" and let Japan carry out the Continental Policy is the third. In view of the improvement of the internal political situation in China, Japan, as the Chinese know, is particularly anxious to intensify her aggression in China "before it is too late!"

So what Japanese officials and diplomats are doing in London indicates that Japan has now realized that the climax of the Sino-Japanese crisis has been reached, so she is now making some desperate attempts to first enlist the "support," "understandings," etc., from the principal powers, before they fire the first shot. Japan certainly still remembers the lesson she learned when Japan, due to the intervention of three powers (Russia, France and Germany), was forced to return Liaotung Penninsula to China after her hard-fought victory over China in 1895. So the Chinese "fear" that the moment when Japan succeeds in negotiations abroad will be the moment when another invasion of the Chinese territory by Japanese-Manchukuo forces will begin.

More Inducements Offered to the British—Abolition of Smuggling

Under such circumstances, there is no wonder that Japan could not agree to a "collective security system" nor a "non-aggression pact" among the Pacific countries, as declared by J. A. Lyons, Prime Minister of Australia. So the Tokyo *Nichi Nichi*

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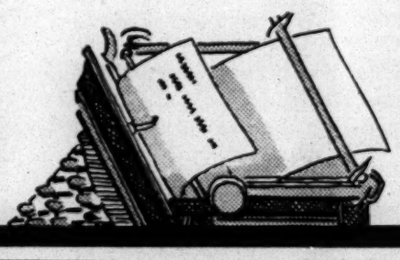

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declared "Japan will maintain a firm attitude vigorously to oppose such a plan as being absolutely incompatible with the fundamental principles of the Continental Policies she has followed since the Manchurian Incident in October 1931."

A further study of the outlines of the "Japanese plan" discussed in Anglo-Japanese conversations, as reported by the London *Sunday Times*, tells us what the Japanese intend to do next. These Japanese high officials in going to London do not have the intention of preserving peace with China but simply that Great Britain shall play *into their hands*! The first item of the "plan" calls for a Japanese pledge concerning Chinese territorial integrity. But without first returning the occupied territory—no less than one-fifth of Chinese territory—to China, what is meant by a pledge to respect Chinese territorial integrity? The second item of the "plan" amounts to nothing but another "Lansing-Ishii Agreement" which—let it be remembered—required much effort by American diplomats to abrogate; and the "revival of the spheres of interest" in China. The third item is apparently aimed at seeking financial control of China through another "four-power consortium" with Japan dominating and the other three as Japan's "puppets." If Great Britain agrees to this "plan," Great Britain will "play into Japanese hands," and it will be another instance of "betrayal" of China by Great Britain; and it will mean in fact the dismemberment of China by Great Britain and Japan!

In courting favor in London, Japan is likely to offer more "inducements" to bring Great Britain into her fold. "Japan will respect British interests in China" is one. "Japan will agree to suppress the smuggling in North China" is the other. We predict the second inducement for two reasons. First: the Japanese militarists have realized that both America and Great Britain have suffered tremendously due to the Japanese-sponsored smuggling in the north, and both have complained much. So by its abolition, Japan hopes to appease both American and British merchants. Secondly, Japanese militarists know very well the psychology of the British people who want "trade" above everything. As soon as trade is safe, the British complaints cease, and they are ready to enter any agreement. Such are the ways and inducements which are used by the Japanese in London.

But what worries the Chinese most is this: Will Great Britain be so naive as to agree to the Japanese "plan"—expressly or tacitly—without first asking and considering "what are the grievances from the Chinese side," and "what is the Chinese 'plan'"?

What Is the British "Momentous Decision?"

Hazarding a guess is always a dangerous thing to do. So the Chinese prefer merely to call the attention of Great Britain to the following facts:—

(1) The present moment is the most critical in the Sino-Japanese crisis; and the problem is no longer a Sino-Japanese problem but a world problem, upon which hangs the peace of the Far East as well as the peace of the world. The Chinese patience has now been exhausted, and the Japanese aggression in China is more intensified than ever before. As pointed out above, the former British policy of "friendly to both" has only aggravated the whole situation; and it has now to be abandoned. Great Britain has to make some momentous decision today—for peace or for war.

(2) The Japanese courting, as well as the offering of many inducements to Great Britain, arose from the need of *reculer pour mieux sauter*. (Draw back in order to be able to leap better) Let London beware of this!

(3) The important task before the Imperial Conference is not to propose another regional understanding or non-aggression pact among Pacific nations. To the Chinese, the British Dependencies could render greater service to Far Eastern peace, if they would first prevent their "mother country" from reaching any more secret understandings with Japan, including, of course, the revival of the old alliance; and prevail upon their "mother country" to seek for Anglo-American co-operation to end the armament race and to preserve peace, in the same way as they did on the eve of the Washington Conference.

(4) As pointed out by some keen observers (see an excellent article on the "Conflict" in Japan by Miss Freda Utley in the May issue of *Asia* magazine), the financial situation and the agrarian crisis must soon lead to another political crisis in Japan unless Great Britian renders her financial assistance. So it is an opportunity where "dollar diplomacy" will have its effect.

Let Great Britain take the wise course of action in conjunction with America to save the whole situation in the Far East. Let Great Britain listen more to Chinese grievances, some of which are "Recover the Lost Territories,"—"Fight for the return to Our Native Lands 打回到老家去" The former is the battle-cry of the 460,000,000 Chinese, while the latter is the battle-cry of the natives of the Three North-Eastern Provinces who are now in this part of China. Let Great Britain not betray China any more! Let Great Britain always believe that a strong China is the best protector of the the Peace in Far East. Let the British dependencies stand and back up such British policy. If such is the British decision and policy, it is a joy and a hope, not only to the Chinese but to the world. But if the contrary is true, it will be fear and despair for everybody!

Nanking, May 29, 1937.

How the Heavy Hand of Japanese Rule Tries to Squelch Korean Patriotism

BY THE REVIEW'S HARBIN CORRESPONDENT

THE readers of *The Review* will have probably lost sight of the Harbin correspondent of the paper who some months ago used to send in materials almost weekly. Some of them may have thought that a misfortune of some sort may have befallen the scribe. Nay, all is all right with the man; he has been away from Harbin on a trip through Manchukuo gathering material for a contemplated book on the "inside" of the puppet empire.

I have visited all important points—Manchuli, Hailar, trecked down to Halun-Arshan, thence along the newly built railway to Changchun (Hsinking), down to Mukden. At present, I find myself at Seishin, a north Korean port on the sea of Japan, and write this missive right in view of the port, destined to outbid its Soviet neighbor, Vladivostok. There are two other ports—Rashin and Yuki—to the north of this port, the first one destined, according to the Japanese press, to become a naval base. They lie quite near the Soviet frontier and I am going to have a glimpse at both of them.

There is nothing much to write about Seishin as it was already the subject of several masterful descriptions in these columns as well as in other publications. It is a town of about 100,000 and is squeezed in between several hills coming right up to the shore. The Japanese had to tear down some of these hills and generally carry out considerable reclamation work before they could lay out the town. The entire length of Minato-machi, principal street of the port, running around the entire bay, was laid out on land reclaimed from the sea.

I have been here already several days and the town appears to be in no way distinct from other Japanese towns: orderly, well-lit streets, in contrast to back-yards which have all appearances of slums. As far as could be ascertained, except for a handful of Russians, there are no foreigners. A Swiss firm of shipping agents, the only foreign establishment in town, appears to be doing a thriving business by attending to shipments of Manchurian soya beans from Harbin to Seishin and thence abroad. Since the South Manchuria Railway took over the administration of Korean railways in this district a year ago, the General Bureau of Railways in Mukden (which is in reality the railway department of the S.M.R.) introduced a reduced freight tariff for soya bean shipments from Harbin to North Korean ports notably Seishin via the Harbin-Lafa, Kirin-Kainei and North Korean railways with a view to making these railroads commercially paying propositions, as all of them have been built for strategic purposes with an eye on war with the U.S.S.R.

To what extent the scheme works cannot be said at the moment, though Seishin has gained considerably in its goods turnover. At present, the port is not yet widely known as the loading point for soya beans: it is not yet included in the Conference ports. Therefore, it appears that only Japanese ships frequent the port.

Extreme Poverty Among Korean Population

I have visited a number of Korean towns—Keijo (formerly Seoul, the capital of Korea), Genzan and a few others—and what impressed me most is the extreme poverty of the population. Some prosperity may be observed only along the railways, in the so-called railway towns, inhabited entirely by Japanese,—officials and railway employees,—whilst native towns or villages, adjoining them, in filthness and poverty have not gone far away from Manchukuo towns and villages. Even along the railways, the population uses the oil lamps of yore, whilst Japanese cottages, neatly placed here and there, are all lit by electricity.

It is notworthy that, as in Manchuria, the Japanese keep away the natives—Korean—from positions of any note even in such a commonplace service as that on railways. All drivers, controllers and conductors, not to speak of station-masters and office employees on the Chosen Railways, are Japanese, Koreans making up the lowest and ill-paid strata of the railway employees. A Korean with whom I talked said: "It is not the Japanese policy to teach the natives—Koreans, Manchukuoans and Formosans—technics. They keep them deliberately ignorant of the advantages of civilization. We are kept away from engineering, aviation and military services, as they are afraid that having gained this knowledge the natives would fight for freedom." Indeed, Koreans may only enter the so-called industrial schools, primarily devoted to forestry, agriculture and handicraft, and the influence of these schools on general welfare appears to be infinitesimal.

As in Manchukuo, the Korean Governor-General takes on himself the role of a general supplier of all text-books used in schools, both Korean and Japanese. It was the first Japanese step immediately after the annexation and introduction of the Japanese administration to burn all Korean text-books in use till then and to supply new ones, compiled by Japanese, and "proving" that it was the Divine providence that Japan and Korea be united under the sublime rule of the divine dynasty of the Yamato race.

The same fate befell the Korean classics and books of general interest all of which were seized by police and burned. Since then, to own and to read Korean books is a crime: these books are treasured and read in extreme privacy, away from the public eye, lest the owner should be seized and prosecuted for harboring "revolutionary" and "communistic" tendencies. In this respect, the Soviets have certainly outmatched the Japanese by starting a Korean publishing house in Vladivostok in direct contrast to the Japanese who appear to be bent on killing every sign of Korean nationalism.

There is a curious book—the *Japan Year Book*—which has been hammering it in year after year that "generally, however, almost all descriminatory features in treatment and salary have been wiped out and in October, 1919, Korean officials were finally placed on the same footing as the Japanese and came under the same regulations." This statement and similar ones filling up the chapter on Korea is belied by the fact that no Korean occupies any executive position. There are, to be sure, five Koreans styled as provincial governors but they are mere puppets in the hands of the Japanese police and rose to their positions exclusively by their loyalty and devotion to the occupants. That they do not command any respect from the people seems to be evident. Even up to now, Korea is not represented in the Diet. In 1933, there was a Korean Diet member, but he represented Korean laborers in Japan and had not favor with the authorities for his leftist ideas. Otherwise, 25,000,000 Koreans are not represented in any legislative body and continue to live practically under a military administration set up in 1910.

Nobody can deny the fact that the present administration of Korea does not command any respect from the population. It is primarily the rule of subjugation. Even the "reigning" prince Ri (Gin), head of the Korean "royal" house since the death of his elder brother and the last Korean "emperor" Ri (Seki) in 1926, does not command any respect. "When he arrives from Tokyo," said a Korean to me in Keijo, "no Korean takes off his hat, although the police make much ado about it, closing traffic for the occasion."

A page of history will not be amiss in this connection. It was Ri (Seki) who was forced to sign the treaty of annexation of Korea by Japan in 1910. He came to the throne on July 19, 1907, when his father—the Emperor—was forced by the Japanese to abdicate in his favor, a man delinquent mentally and weak in character, a mere pawn in the hands of the Japanese. Five days after his coming to the throne, Seki was forced to sign a treaty with Japan by which he gave up the control of all branches of the Korean Government to Japan. Under this treaty, the Korean Government could act only under the "guidance of the Resident-General in respect to forms in administration"; it must not "enact any laws, ordinances or regulations or decide any important measures of administration without the previous assent of the Resident-General." In short, it was a precursor of what took place in Manchuria after 1932, when Pu Yi was smuggled from Tientsin to Manchuria, installed at first as Chief Executive, then as "emperor" and began to sign all sorts of treaties and agreements with Japan, his creator, guardian and possible murderer of the future. I say "the murderer" deliberately, because at stake is his, Pu Yi's life. Any disobedience on his part will lead to his death, as the Japanese have a successor for him—his brother Pu Chieh, recently married to a Japanese princess.

Prince Ri Serves As Colonel in Japanese Army

Prince Ri lives the most part of the year in Japan, serving in the army as colonel, and very seldom pays a visit to Keijo, the capital of Korea. Here, the royal house is represented by Princess Ri (Seki), consort of the late emperor Ri, who signed the treaty of annexation in 1910. Though in no way connected with the administration, the royal house receives an annual civil list of Yen 1,800,000, included in the budget of the Korean Governor-General.

Despite all efforts of the Japanese to win the goodwill of the Korean nation through cultivating friendship with the upper section of the population, it is true that they have accomplished nothing in this respect. The will to fight for freedom has not diminished in Koreans despite the terrible reprisals meted out by Japanese administrators. The ire of the people only matches time; it will flare up at the most critical time for Japan, which is believed to be during war involving Japan.

That Korea is in a state of constant discontent and revolt is not a secret to those who read newspapers. Arrests of alleged revolutionaries are a common sight in Korea (also in China and Manchuria). They are held in confinement (under torture) for months and years, and those who survive are hauled out before courts to be tried for treason, seduction and breach of the order and peace law. In this respect, there is no difference whatever between the present conditions in Korea and Manchuria, where the authorities are in a perennial hunt after "bandits," Kuomintang agitators, revolutionaries and volunteers. Every nationalist—be he a Korean or Chinese—is branded as a communist and upon being caught disappears leaving no traces whatever.

There is certainly no love lost between the Japanese on the one side and the Koreans and Manchukuoans on the other. It is apparent that the cruelty, selfishness and harshness of the Japanese officialdom and colonists in general is driving these peoples—55,000,000 of them—into pro-Soviet sentiment as they instinctively look upon the Soviet Union as their future liberator. It is evident that the best propagandists of communism and radicalism of the worst possible type in Eastern Asia are the Japanese officials, militarists and all those with them, as their action invariably produces a reaction in the opposite direction—radicalism. It is a sheer madness on the part of the Japanese warlords to talk about war with anybody, still less with the Soviets, for millions of Manchukuoans and Koreans have no Japanese patriotism whatever and represent inflammable material of the best type imaginable.

It will be untrue to say that the Japanese do not see this. They do and in order to keep the Koreans in perpetual subjugation they keep them, notwithstanding a reportedly happy and contended life since the annexation, away from the Japanese armed forces, that is to say, the Koreans are not subject to universal conscription. To keep the Koreans and all other subject nations off the fighting forces is a bit of the same Japanese policy not to give a technical education to colonials lest they should use it in the fight for freedom.

Japanese Claim "Last Band of Korean Nationalists" Captured

Sometime ago, the Japanese press in Manchuria and Korea (which is 100% under the control of the military) made a fuss about the surrender of the "last" band of Korean nationalists. Translation of this report follows:—

"Antung, April 14.—The so-called 'Korean Revolutionary Army' which has for the past twenty-eight years continuously persisted in anti-Nipponese depradations in Heiyanhokudo (in Chosen) and Tungpeitao (in Manchuria) districts has at last been beaten by successful operations of Nipponese and Manchukuo punitive expeditions and driven out from its mountainous retreats.

"Recently, their strongholds have been taken and burnt down. Fifteen leaders of this 'army' have surrendered and with that its remnants lost any chance for further activities.

"On April 9, Bun Bu-kio (Kin Katsu-seki), 'commander-in-chief, of the army,' and Tsai So-kan, 'commander of the 1st battalion,' surrendered together with 70 accomplices to a special detachment at Huancheng.

"Thus, the 'Korean Revolutionary Army' which was very active in bandit operations for nearly three decades has been finally liquidated."—*Manchukuo News Agency.*

It is absolutely impossible to verify to what extent this report corresponds to fact. However, there is reason to believe that it is one of those reports in which the Japanese military have time and again reported the surrender of the "last" band of Korean insurgents fighting for the freedom of their country since the annexation by Japan in 1910.

In this frontier district, one unavoidably thinks in terms of war between the Soviets and Japan. And one cannot help but think that way, for there are too many evidences of an open preparation for the conflict, at least on this side. If such a misfortune occurs, it seems, it will differ in many respects from all wars in the past, for the masses now subdued in Korea and Manchuria are likely to rise, disorganizing the rear of the Japanese army. For the Soviets, it will not be necessary to land battalions from the air, as they did last fall near Minsk during manoeuvres. It will be sufficient to land only Korean and Chinese agitators and arms in the woods of Manchuria and Korea and the rest will take care of itself.

Seishin (North Korea), May, 1937.

Leaders of National Salvation Association to Be Tried on June 11

Shen Chun-yu, Wang Chao-shih, Li Kung-pu, Chang Lai-chi, Sha Chien-li, Shih Liang, and Chow Tao-feng, the seven leaders of the National Salvation Association, arrested months ago, will be tried at 1 o'clock in the afternoon on June 11 at Soochow. It is reported that 21 lawyers from Shanghai have been invited by the seven leaders to defend them. Special permits are to be issued to those who intend to attend the trial and special precautionary measures will be taken to stop any possible disturbances.

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The Far-Eastern Crisis—Some Comments on Henry L. Stimson's Book

BY CHEN PIN HO

(Concluded from last week)

While Japanese militarists attacked Shanghai, the fact that the United States fleet, when it reached Hawaii during the annual maneuver was allowed to remain in the neighborhood and was not dispersed or sent back to the Atlantic on the conclusion of the maneuvers had considerable effect in influencing Japan to bring an early cessation to her militaristic operations. Had the United States taken one or two steps in a positive direction, the situation in North China might have been materially altered. The Chinese people's defensive movements against aggrandizement and national independence would have been accelerated just as the American Independence War was expedited by assistance of sympathetic Frenchmen. The United States would have earned the lasting gratitude of the Chinese people. But America's sanction against Japan for her militaristic aggression was circumscribed to ineffectual verbiage as is characterized by Mr. Stimson's declarations and explanations quoted below:

"There was a further precaution to be observed. The Kellogg-Briand Pact contained two articles. The first one related exclusively to war and consisted of declarations renouncing war as an instrument of national policy." (p. 61).

". . . made quite clear the necessary limitations which precluded action outside of that authority." (p. 65).

". . . the American government had confined itself to a reliance upon the sanctions of public opinion alone."

Does it not expose the ineffectiveness of the Nine Power Treaty and the Kellogg-Briand Pact? International conflict, especially when it is in the form of a grave situation arising out of a militarily stronger country attacking a weaker nation, cannot be settled by "peaceful means" or "sanctions of public opinion." It is possible that the Powers who, under leadership of the United States and Great Britain, are signatories to non-aggression pacts do not comprehend this truth?

IX. The Lasting Solution of the Sino-Japanese Conflict

"Immediately after the passage of the resolution" for a neutral commission of investigation on December 10, 1931, Mr. Stimson made a public statement "describing the long course of the negotiation conducted by the League, the efforts of the United States to support these negotiations, and my gratification at the decision," the last paragraphs read as follows:

"The ultimate solution of the Manchurian problem must be worked out by some process of agreement between China and Japan themselves. This country is concerned that the methods employed in this settlement shall, in harmony with the obligations of the treaties to which we are parties, be made in a way which shall not endanger the peace of the world and that the result shall not be the result of military pressure . . .

"On the other hand the adoption of this resolution in no way constitutes an endorsement of any action hitherto taken in Manchuria. This government, as one of the signatories of the Kellogg-Briand Pact and the Nine Power Treaty, cannot disguise its concern over the events which have there transpired. The future efficacy of the resolution depends upon the good faith with which the pledge against renewed hostilities is carried out by both parties and the spirit in which its provisions directed towards an ultimate solution are availed of . . . ." (pp. 80-81).

If a burglar and the burglarized could be expected to carry out a resolution in "good faith with a pledge against renewed hostilities" or work out a solution "by some process of agreement between themselves," so could the proverbial tiger and the lamb. "Agreement" under such circumstances could only be arrived at by unconditional surrender of the weaker side.

In one sense we agree with Mr. Stimson that the "ultimate solution must be worked out by some process of agreement between China and Japan themselves." It is garbling Mr. Stimson's original meaning, reading into it what is not there. Viewed in the greater light of history the conflict between China and Japan (not only in respect to the Manchurian problem) must be finally solved, solved equitably once and for all, by mutual agreement between the majority of the Chinese and Japanese peoples. Such is the inescapable course of events in human history. The rational solution of true peace between the two countries, peace on the Pacific and of the entire world must be sought therein and the time for effecting such a solution will not arrive until Japanese aggressors shall have received a fatal blow at the hands of China's national defense. Then and only then can the Japanese and Chinese peoples intimately cooperate in economic, political and cultural spheres. Then, there would be no questions between the two nations that would not readily and satisfactorily solve themselves.

X. The French Revolution and Japanese Aggression

The authority of historic events which Mr. Stimson invokes to substantiate his opinions or arguments seems to us to require discussion. For instance, he says on pp. 36-37:

"History is full of lessons which point to the dangers of an opposite course. A century and a half ago the intervention of the European allies had only served to fan the flame of nationalism in revolutionary France and, by rousing the patriotism of her armies, had strikingly demonstrated the danger of outside interference in a domestic struggle such as was now going on in Japan."

The Japanese domestic struggle to which Mr. Stimson referred is undoubtedly the cleavage between Shidehara's foreign policy and that of the Japanese militarists. The fear that outside interference would only arouse the nationalistic feeling of the Japanese people is not entirely unfounded. But Mr. Stimson seems to have overlooked the fact that the larger number of the Japanese people did not support their government's aggressional policies as we have already pointed out at length in the preceding paragraphs. The French Revolution to which Mr. Stimson compared to the Japanese domestic struggle does not seem to be analogous to the latter case. The French Revolution of 1789 was completely and in every way a movement of the French people to demolish a toppling despotic dynasty. It was, therefore, solely a domestic affair of France to that same extent, wherein no other country had the least right to interfere. Only, the French Revolution was the first great democratic revolution in the history of Europe. It could not but started a revolutionary current of thought among the peoples of Europe, thereby arousing not a little apprehension among the ruling classes. It was to interfere in the affairs of the Revolution in France that the Holy Alliance was formed. This "opposite course" taken by the European Powers at the time naturally served to add fuel to the flame of racial nationalism in revolutionary France.

Not so in the case of Japan in her aggressional foreign policies. There is no similarity in the two instances. The French Revolution was a great and glorious event in the history of mankind. The Japanese "domestic struggle" was a disagreement on aggressive policies. The former was an action whose results, for good or bad, affected only the nation who undertook it; the latter struck right at the root of another country's existence. To interfere in Japan's aggressive policy toward China is a courageous action in the great cause of right against might; to refrain therefrom is to reveal a lack of moral courage. Had France assumed the same attitude toward the American colonies struggling for independence, it is problematic whether history would not be entirely different.

XI. The Conclusion of Mr. Stimson

The good offices of the Powers toward conciliation between China and Japan appear to us to have been marred by an undiscriminating clause in their notes handed to the two countries. The same tone is prominent in Mr. Stimson's statements:

"The future efficacy of the resolution depends upon the good faith with which the pledge against renewed hostilities is carried out by both parties . . ." (p. 81).

Again the first two of the five points for conciliation presented to China and Japan read as follows:

1. Cessation of all acts of violence on both sides forthwith. . . . .

2. No further mobilization or preparation whatever for further hostilities between the two nations.

Granting exigencies required by diplomatic language and form, the unfairness of the statement should not be allowed to pass unchallenged. According to Mr. Stimson as well as the Lytton Commission report, neither the Chinese government nor the Chinese army had undertaken any "act of violence" or "mobilization or preparation for hostilities" from the outbreak to the close of the incident. The Japanese army advanced from Korea to Liaoning; from Liaoning to Heilungkiang; from Heilungkiang to Chinchow, without even meeting with armed resistance. The heroic defence of Shanghai against great odds by the Nineteenth Route Army certainly cannot be called an act of hostility or violence. It was not so called by neutral observers. As expressed in Mr. Stimson's statements and the propositions of the Powers, no distinction is made of military actions designed for purposes of aggrandizement and acts of a purely self-defence nature. Conciliatory offices characterized by this failure to discriminate between right and wrong tend to encourage future aggressive activities on the part of militaristically ambitious countries. The Powers who so kindly constituted themselves concilators should have only censored militaristic Japan and evoked sanctions against her for her acts of aggrandizement. So long as China limited her operations to pure self-defence, no responsibility should be laid at her door for "hostilities" arising out of resisting an invader. This is an unalterable maxim so long as law and order remain in the world.

Mr. Stimson's views may be summed up under the following heads:

(1) Japan's military occupation of Manchuria was of aggrandizement pure and simple.

(2) Pretexts invented by Japan to whitewash her acts of aggression in Manchuria are found wanting in truth.

(3) Manchuria is Chinese territory de jure, de facto and de populo. Japan's claims for special rights therein are unsupported.

(4) The United States government takes the attitude and follows the policy of "non-recognition" in respect to situations arising as a result of Japanese aggression, but does not advocate the use of sanctions against Japan other than that of world public opinion and peaceful methods.

(5) The conflict between China and Japan must be settled by processes mutually agreed to by both nations.

(6) The method of peaceful boycott used by China against Japan must not be suppressed or otherwise rendered ineffective before the ultimate solution of points of the conflict is achieved, lest China be reduced to subservience to Japan or else be forced to arm herself wholeheartedly, thereby transforming herself into a militaristic nation.

(7) The League of Nations Covenant has become a "mere scrap of paper" and its machinery has been found ineffective, though the existence of the League should still be preserved.

(8) World peace shall be maintained, although aggrandizements on the part of strong Powers should not be dealt with by any but peaceful means.

XII. Outlook of the Far Eastern Crisis

The Far-Eastern crisis which is the subject of Mr. Stimson's admirably written book not only exists still, but is actually growing bigger and graver. The peaceful methods and processes with which Mr. Stimson hoped to deal with the crisis become ever more precarious and unreliable. Does it mean, then, that the death knell of peace in the world has been sounded? Is the road to world peace irrevocably closed to earnest advocates and workers for its realization like Mr. Stimson? That is decidedly not our opinion. A general deduction of the foregoing negative analyis may be made:

(1) Peace does not mean maintaining the status quo of the world situation but providing an equitable basis upon which the human race may live in mutual help in spheres of economic and political life.

(2) Group security is no security until it is built on this basis.

(3) Peace contrary to that above-described is not equitable and true peace; group security contrary to that above-described is not true and equitable group security. Neither will there be peace or security contrariwise.

(4) Peace is not a charitable dream of the idealist; it is the phenomenon of each satisfying his legitimate wants in the practical life of mankind; it is a plan for all to live and let live. When this peace is dislocated or in danger, we should all co-operate to preserve it or win it back. Empty words solve no problems.

(5) The mere advocating of peace without workable conditions is truly a dream. The first requisite for peace on the Pacific and in the world is that China should throw off the shackles fettered upon her national life by Japanese militarists, (the case applies equally well to Spain and Abyssinia). At the same time, we trust American statemen and the American people will offer China active assistance freely and of their own volition.

(6) The day will come when co-operation between China and Japan will be an accomplished fact. The determining factor lies with the majority of the two respective peoples. That day will also be the day of the advent of universal peace.

(7) For the sake of true peace on the Pacific and in the world, China and the United States—the two great republics on its opposite shores—should join hands; not only because China needs the active assistance of the United States at the present time, but the glorious future of the United States also depends to no small extent on her honest friendship with China. Mr. Stimson, with his farsightedness, has described this contingency: He says: ". . . . It was self-evident that the eventual trans-Pacific relations of the United States would be enormously, if not predominantly, affected by the future development of the 450 millions of Chinese people dwelling on the mainland behind the islands of Japan." Mr. Stimson made no definite mention of what kind of relations these would be, but a close observation of existing relations and conflicts of countries bordering on the Pacific reveals the future development from these conflicts: these conflicts will have to be finally and permanently settled by resort to arms. China's national movements emerging from this great struggle will receive startling development, incidentally determining the nature and extent of "eventual trans-Pacific relations with the United States." It was probably with this development in mind that Mr. Stimson referred to future relations. War will be the inevitable outcome of this Far-Eastern crisis. New peace and international relations of a new tenor will be born out of this war. We seek Mr. Stimson's opinion.

Finally, we wish to note in passing that we have been frank, perhaps over frank, in certain places in this essay. It was with the full conviction that Mr. Stimson is an unusually far-sighted statesman of a country whose traditional policy toward China consists of nothing but friendliness that we ventured criticism. A maxim of the Chinese sages has it that "only the good are willing to accept frank criticisms." We are confident that Mr. Stimson will be glad to accept an opinion of the Chinese people in the spirit in which it is expressed.

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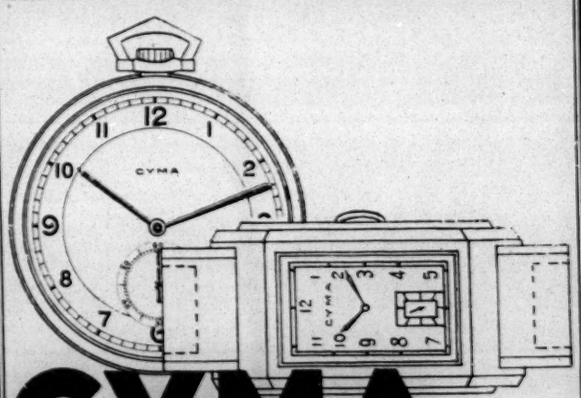

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China National Tea Corporation Boosts Aims at Reception

A large group of Government officials, business leaders and financiers attended a reception which was held on the afternoon of June 2 in the Land Bank Building in Shanghai, to bring the attention of the public more fully to the operations of the recently organized China National Tea Corporation. Dr. Y. T. Tsur, Vice-Minister of Industry and Chairman of the Corporation's board of directors, presided at the gathering. He was assisted in receiving the guests by Dr. Kinn Wei Shaw, the general manager, and Tong Suh-fan, the assistant general manager of the Corporation, whose offices are located at 255 Peking Road. Dr. Shaw has done much research work in the United States, particularly at Washington, D. C., where he was granted special facilities by the U. S. Department of Commerce.

Among the guests present at the reception were Baron Johan Beck-Friis, and Messrs. W. M. Kirkpatrick, E. Kann, Julean Arnold, N. Katem, R. C. W. Behrend, O. K. Yui, Wang Shao-lai, K. H. Lin, T. C. Chao, A. Chuh, and Tsuyee Pei.

The China National Tea Corporation has been progressing steadily since its inauguration in the Ministry of Industry. Plans for the marketing of tea both at home and abroad as well as for the establishment of factories with modern equipment are being drafted by the business and technical departments. The Corporation, being the joint enterprise of the Ministry of Industry, six tea-producing provinces and leading Chinese tea merchants, aims at the revival of tea industry and the promotion of tea trade. All its efforts will be directed towards the improvement of facilities for the production, transportation and marketing of tea with special emphasis upon quality and standardization. It has, with the approval of the Ministry of Industry, engaged as technical adviser E. P. Witham, who is connected with Messrs. Charles Hope and Son in London and had 14 years experience in the cultivation of tea in Assam. Mr. Witham is expected to arrive in Shanghai via Siberia, in the latter part of June. The Corporation maintains an exceptionally well-equipped tea-testing laboratory.

The provincial governments which are the stock holders in the corporation are: Anhwei, Kiangsi, Hunan, Hupeh, Chekiang, and Fukien. The Board of Directors of the firm is made up of members named by these provincial governments and the Ministry of Industry, which contributed $600,000 to the total capital of $2,000,000.

Wensi Paper Company Inaugurated at Meeting in Shanghai

The Wensi Paper Company was inaugurated at a meeting held at the Chinese Bankers Club in Shanghai June 1. A total of 149 commercial shareholders were present while Messrs. Wu Ting-chang and Y. T. Tsur, Minister and Vice-Minister of Industries, represented government shares.

The Minister of Industries, who took the chair, gave the opening speech, in the course of which he emphasized the significant role the newly-organized company is to play for the revival and development of an industry which has had a history in China for many centuries. A report on preparations for the organization of the company was then given by Y. T. Tsur.

Shanghai-Swatow Telephone Service Inaugurated June 1

The Shanhgai-Swatow long-distance telephone service was inaugurated by order of the Ministry of Communications, June 1. The service linking Shanghai with the northern Kwangtung city, which recently was the scene of Sino-Japanese friction, will be only open between 1 and 2 p.m. and 8 and 11 p.m. For each three-minute call to or from Swatow, $4.20 is charged. For calls to and from the International Settlement and French Concession, however, the rate will be $4.70 for each three-minute period.

Chilean Commercial Mission Inspects Cotton Mills in Tientsin

The members of the Chilean Commercial Mission, headed by Senator Maximiao Errazuriz, arrived at Tientsin May 31. Accompanied by representatives of the Municipal Government and the City Chamber of Commerce, the visitors inspected the Peiping and Hengyuan Cotton Mills and attended the Athletic Meet of the middle and primary school students. After attending a dinner given in their honor by the leaders of various organs and civic organizations, the party left for Shenyang (Mukden) by the Peiping-Shenyang through train.

Hanyang Steel Works May Be Re-opened

Attempts are being made to re-open the Hanyang Steel Works, which were closed more than 10 years ago. Chow Futien, representative of the Hanyehping company, inspected the plant last week. According to Mr. Chow a report on the present condition of the plant will be submitted to the Central Government for consideration. The Central Government is expected to give financial assistance for the re-opening of the plant.

Agricultural Credit Bureau Lends Millions to Farmers

Millions of dollars in loans have been granted by the Agricultural Credit Bureau under the Ministry of Industry to assist farmers in improving production and rehabilitating the rural districts, it is announced.

Silk.—For the development of the silk industry, the Bureau has been extending loans to the producers in the provinces of Kiangsu, Chekiang and Shantung. By the end of June, it is learnt, loans amounting to $4 millions will have been granted.

Cotton.—The Bureau has also despatched representatives to Kiangsu, Hupeh, Honan and Shansi to investigate cotton production. Loans amounting to several millions will be extended to the cotton growers.

Tobacco.—The Bureau is making preparations for the establishment of tobacco cooperative societies and guilds in the leading tobacco districts in Shantung, with a view to assuring a free market for leaf tobacco. One million dollars will be loaned to the tobacco growers.

Rice and wheat.—The Bureau has also despatched technical experts to Anhwei to assist the farmers in the improvement of rice and wheat cultivation.

Sugar.—In order to develop the sugar industry in Kwangtung, the Bureau has made arrangements with the Shanghai Commercial and Savings Bank and the Kwangtung Provincial Bank for a joint loan of $2,500,000 (Kwangtung currency) to the Provincial Sugar Refinery.

Farm Irrigation.—The Bureau has also agreed to lend $500,000 to the Shensi Provincial Government for the promotion of water conservancy and improvement of the irrigation system in Shensi. Arrangements for similar loans are being made with the Shansi and Honan Provincial Governments.

Rural Cooperatives.—For the readjustment of rural economy, the Bureau has established cooperative treasuries in Shantung and Hopei. Representatives have been despatched to Anhwei, Kiangsi and Hunan for the establishment of similar organs. The Bureau plans to establish three cooperative treasuries in Hunan, two in Shensi, 20 in Szechuan, and four in Fukien.

Jan Gamarnick, Soviet Assistant Commissar for Defence, Commits Suicide

Jan Gamarnick, Assistant commissar for Defense and Chief of Political Education in the Red Aimy, committed suicide in Moscow May 31. The telegrams on the subject were brief but this man's death indicates that something is seriously amiss in the internal situation in the U.S.S.R.

The importance of the late M. Gamarnick's position is not generally realised. Although Voroshilov holds the position of Commissar of War, the political training, discipline and actual control of the Red Army lay in Gamarnick's hands, and he was also a member of the Presidium of the Central Executive Committee of the Communist Party and chief of the Political Section of the Government.

He was responsible for the present strong organization of the Soviet Far Eastern Army and during 1926-1930 with his headquarters at Habarovsk he was the real head of the Far Eastern Red Army, of which Galen-Bluecher is still military leader; he also controlled the Soviet Far Eastern territory as Secretary of the Party for the Far East: His strongest supporters were Galen-Bluecher and Koslovsky, newly appointed amabassador to Tokyo.

Gamarnick faced strong opposition from Marshal Tuchachevsky, former assistant Commissar of War, over the question of direct military control over the military forces proposed by Tuchachevsky but strongly opposed by Gamarnick. With his death, the military group in the U.S.S.R. has strengthened its position considerably; Stalin's personal influence has also been increased. Gamarnick was a trusted lieutenant of Lenin's, having been with the late leader in Switzerland. During the revolution he was entrusted by Lenin with the job of cleaning up the Wrangel and Denikin forces, and later was promoted to the position of chief of the Revolutionary-Political Committee of the Ukraine.

German Reds Arrested in Moscow

Twenty Germans who as former functionaries in the now defunct German Communist party had sought refuge in Soviet Russia following the rise of National Socialism to power were arrested in Moscow May 28 following the latest purging action of the GPU.

Former Member of Japanese Diet Imprisoned for Violating Election Law

Kaju Nakamura, a former member of the Japanese Diet and member of Seiyukai (noted for his international friendship activities such as summer colleges, etc.) was given a sentence by the Kagoshmai local court May 25 of eight months imprisonment without hard labor. The original punishment demanded by the procurator was one year and two months imprisonment. Nakamura had violated the election law in a campaign in which he was defeated.

American Federation of Labor Opposes Federal Minimum Wage Law

As a result of the newly expressed opposition of the American Federation of Labor to the proposed Federal minimum-wage and maximum hour program, the movement in Congress to delay action on the program until next year is gaining strength. It is also believed in Washington that the Court-reform bill will be permitted to slide out of the picture unless there is a definite change in the situation affecting the measure.

A.F. of L. Declares War on C.I.O.

A declaration of industrial war was issued this week by the executive committee of the American Federation of Labor, which gave its president, William Green, a mandate to begin an immediate general offensive against the Committee for Industrial Organization, a rival group of unions which is headed by John L. Lewis.

Five Die in Riot in Chicago—Police Clash with Strikers Marching to Steel Plant

Five strikers were dead, reportedly as a result of gun-shot wounds, and 78 others, including a number of women, were injured May 30 as a result of riots attending the mid-western steel strike. Casualties occurred when 200 police officers halted 1,500 strikers who were marching four abreast in an attempt to reach the gates of the Republic Steel Company's South Chicago plant in an effort to halt plant operations there.

Airplanes Drop Food to Loyal Steel-Workers

Aircraft were brought into use in the steel strike at Youngstown, Ohio, where the majority of steel plants have ceased operations as the result of a walkout of workers. Airplanes were engaged this week to drop food to the men besieged by strikers in the four factories belonging to the Republic Steel Corporation, which are still in partial production.

President Roosevelt Hopes to Plug Up Holes in Income Tax Law

President Roosevelt sent a special message to Congress June 1 recommending legislation to plug loop-holes in the income tax law.

Americans in Shanghai Celebrate Memorial Day

The American Community in Shanghai observed Memorial Day May 30 with the customary exercises at the Bubbling Well Cemetery, at which Consul General C. E. Gauss presided. The address for the day was delivered by Judge Milton J. Helmick of the U. S. Court for China. The theme of Judge Helmick's remarks was that Americans meet to honor the dead in humility and not in pride; not to gloat over bloody battles of years gone by, and without any desire to glorify war.

As May 30 fell on Sunday, the official holiday was observed May 31, when the U. S. Consulates in the various ports in China were closed.

Anniversary of May 30 Incident Is Observed Throughout China

Concluding a month which was studded with "humiliation days," China commemorated on May 30 the twelfth anniversary of the Nanking Road incident and on May 31 the fourth anniversary of the signing of the Tangku Truce.

Theaters, newspaper and shops in Chinese areas in Shanghai and other Chinese cities closed on May 30, which is officially designated as a National Humiliation Day. All Chinese flags were flown at half mast, and a ceremony was held at the May 30 Martyrs' Tomb on Paoshing Road, in Chapei.

It will be recalled that on May 30 in 1925 a mob demonstration began at the West Gate and later changed location to Nanking road, the mob protesting against the killing of a Chinese worker, allegedly by a Japanese. In attempting to disperse the mob, the police at Louza Police Station fired, and the crowd retaliated by calling a general strike which lasted for many weeks, during which period the situation in Shanghai was extremely tense.

A May 30 memorial service was held at the Military Officers' Moral Endeavor Association in Nanking. General Feng Yu-hsiang, Vice-President of the Military Affairs Commission, who had just returned to the Capital from Tai-an delivered a stirring address. A speech was also made by Liang Han-tsao, Secretary-General of the Legislative Yuan. Several patriotic poems composed by General Feng were distributed to those present.

A National Humiliation Exhibition was opened May 30 under the auspices of the Nanking Mass Education Institute. More than 500 official documents and maps concerning the various events of national humiliation, dating from 1841 (the Opium War), are on display. The exhibition is continuing for a week, closing on June 5.

May 31 was not officially celebrated, but several of the Chinese newspapers noted the Truce which China had to sign at the conclusion of the military operations in connection with the Manchurian incident. The *Lih Pao*, in particular, published an editorial demanding the immediate abrogation of the Tangku Truce.

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Japan "Reorganizes" Special Service Activities in Shansi

At its conference in the early part of May, it is reported that the Japanese Garrison in North China made detailed plans regarding the reorganization of the special service activities in Shansi province. Well-informed circles state that the plan calls for the reorganization of the administration of the special service department, change of the fundamental activities of the department and formulation of a new program of work. It is reported that the Shansi and Suiyuan authorities are paying close attention to the activities of Japanese secret servicemen in their respective provinces.

Japan Dissolves Special Service Department in Taiyuan, But Secret Work Continues

The Japanese Special Service Department in Taiyuan has been dissolved. This, however, does not mean the withdrawal of the Japanese secret activities from the province. Instead, it is reported, that large numbers of military officers have been sent to various districts in the province to carry on the original work. The *Sin Wen Pao* of May 29 printed a message from Tientsin stating that these military officers are planning to organize traitors in different districts for the purpose of causing continuous disturbances in the province.

Liu Kwei-tang Bandits Secretly Moving Westward

A recent message from Tsinin, Suiyuan, stated that, after having been inspected by the Japanese in Tehwha recently, more than 2,000 men under the bandit chief, Liu Kwei-tang, are now secretly moving westward with Nanhou and Ta-Tsinkou as their final object.

Japanese Commanders Discuss Question of Abolition of East Hopei Regime

The *Sin Wen Pao* says the question of the abolition of the puppet regime in Eastern Hopei was brought up before an important conference held by the Japanese commanders in North China May 31. While the decision on this question at the meeting is not known, it is learned from well-informed circles that both Kuwajima and Shibayama agreed with the policy of the young military Japanese officers in North China.

Japanese Consuls Hold Conference in Tsingtao

Commencing June 1, Japanese consuls in North China held a series of conferences in Tsingtao. The conference was participated in by the Japanese Consul-General in Tientsin, and Japanese consuls in Tsinan, Tsingtao, and other Japanese high officials in North China.

Japan to Send Additional Troops to Shantung

As a result of the repeated requests of the Japanese residents in Tsingtao, the Japanese authorities have decided to increase the number of Japanese troops in Shantung.

It is reported that the Japanese military and naval authorities are discussing plans regarding the dispatch of more troops to the Kaiochi Railway line for the "protection of Japanese lives and property."

The Military Significance of the Proposed Shihchiachuan Railway

According to a high officer of the Japanese Garrison in North China, the plans for the building of the Tientsin-Shihchiachuan Railway have been decided upon; the cost of construction is estimated at $24,000,000, to be entirely supplied by the Hsin Chung Company. The Japanese officer added that the Chinese authorities still believe that the building of the line is of important military significance. As soon as this misunderstanding is removed, construction will be started.

British Troops Charged with Violence in Shanhaikwan

Twenty soldiers of the British detachment stationed in the border town of Shanhaikwan are alleged in Japanese dispatches to have wrecked the offices of the Chojo Fishing Company on May 28. The concern, owned by Etsuji Uyeda, is located on the Manchurian side of the Great Wall. The British soldiers, allegedly entered the firm's offices at 9 o'clock at night, broke window panes and shattered the doors. They later allegedly let the fishing boats of the concern drift away. No Japanese employees of the company were injured. The Japanese reports described the attack as an act of vengeance for the forcible ejection of some British soldiers the previous evening from the dormitory by the firm's Manchurian employees. Incensed by jokes made by the British soldiers at the expense of the occupants of the dormitory, and the slapping of one of their number, the Manchurians, according to the report, drove the soldiers out of the building.

An apology was tendered to the Manchukuo authorities by the commander of the British detachment in Shanhaikwan, the same day, the Gaimusho was officially advised. The apology, the dispatch to Tokyo added, was tendered following the filing of a protest by Manchukuo officials in Shanhaikwan.

Students Resume Class Work at Northeastern University

Class work at the Northeastern University in Peiping was resumed May 27, but many students were absent as they had not yet recovered from the strain of their recent railway journey to Liuchuan. The students gave a reception for local Northeastern residents, at which a spokesman of the delegation who returned to Peiping last week made a report on their trip to Kiangsu. As a result of the efforts of Northeastern leaders in Peiping the authorities of the university have received $35,000, which enables them to carry on the work of the university for several months. The money represents part of the foundation fund of the university deposited in the Peiping branch of the Bank of Communications by General Chang Hsueh-liang.

Four hundred and fifty-two persons, mostly members of the families of Northeastern officers stationed at Pengpu, arrived in Peiping May 28 by special train. The party was in charge of Major Lin Shih-tseng of the headquarters of the Pacification Commissioner of Kiangsu, General Yu Hsueh-chung.

Students of Agricultural College Agitate Against Director

The students of the College of Agriculture of the National University of Peiping (Pingta) have launched an agitation against their new acting Director, Chow Chien-hou. The students went on strike last week as a protest against the appointment of Mr. Chow. They later resumed class work but they are still agitating for his removal. Mr. Chow is the Chairman of the Department of Chemistry at the College and was recently appointed acting Director in a concurrent capacity in succession to Liu Yun-chou.

"Manchukuo" Students Sent to Chahar Front

Recently, a large number of Chinese students in Manchuria was sent to Kuyuan, Kanpao and other districts in Northern Chahar under the supervision of Japanese officers. The dispatch of Chinese students to the Northern Chahar areas, the Hankow *Shao Tan Pao*, pointed out, is a new method adopted by the Japanese to exterminate the Chinese intelligentsia in Manchuria.

Commencement Exercises Held at Canton Branch of Central Military Academy

Commencement exercises for the First Special Training Class of the Canton Branch of the Central Military Academy were held in Canton May 31.

Among those present were General Yu Han-mou, Pacification Commissioner for Kwangtung, representing Central Party Headquarters; General Wu Te-chen, Chairman of the Kwangtung Provincial Govrenment, representing the National Government; Lieut.-General Lo Cho-ying, Chief-of-Staff of the Canton Provisional Headquarters of the President of the Military Affairs Commission, representing General Chiang Kai-shek, Principal of the Central Military Academy; General Liu Chien-chun, Director of the First Special Training Class.

Speaking on behalf of General Chiang Kai-shek, Lieut.-General Lo Cho-ying urged the students to observe discipline, trust their comrades, fulfil their responsibility, and be loyal to the cause of the Revolution; only thus can they be worthy of being students of General Chiang Kai-shek. Certificates and prizes were distributed by General Liu Chien-chun.

Japanese Farm Enterprise Near Tientsin Strikes Snag Owing to Chinese Opposition

Japanese officials in Tientsin in May 29 decided to proceed this week to the "Seinoen," a farm under joint Sino-Japanese management, to investigate charges of oppression lodged against the Chinese authorities by Eizo Shima, Japanese partner in the enterprise. The Japanese consular officials allegedly were told by Chinese that they would be killed if they continued to work for Japanese.

Mr. Shima reported that Ku En-fu, his Chinese partner, had been arrested as a sequel to the promulgation on May 20 by the Hopei-Chahar Council of a new law prescribing the death sentence for persons "secretly selling national land to foreigners."

The Japanese partner in the farm, which covers 250 acres, charged the Chinese authorities with attempting to drive them out of business by threatening Chinese employees and agricultural experts with death should they continue to work with Japanese. He also alleged that the transportation of foodstuffs to his farm was being interfered with.

Chinese Mob Attacks and Burns Japanese Farm Near Tientsin

In a surprise attack upon the "Seinoen," a farm under joint Sino-Japanese management at Tunglu near Tientsin, a Chinese mob of more than 20 persons set fire to four buildings early in the morning of June 2, an emergency call for assistance received by the Japanese Consulate-General in Tientsin said. A Japanese flag, hoisted on a farm building, was torn off and trampled upon by the Chinese assailants, according to the report. Japanese consular police and gendarmes left for the scene of the alleged attack immediately to investigate.

Tientsin Relief Center Crowded with Destitute Narcotic Victims

The *North China Star* of May 27 stated that the relief center in Tientsin (which provides free shelter and food for beggars) is confronted with difficulties in accommodating the increasing number of narcotic destitutes as a result of the wholesale arrests of the so-called drug-beggars in various alleyways in the Japanese Concession, who have been subsequently handed over to the Chinese authorities.

The action in rounding up the addicts is being taken by the Japanese authorities following the apprehension of several corpse dumpers, who, on being tried before the Chinese authorities, stated that they had been employed by owners of narcotic dens to remove the bodies after the addicts had died on their premises.

To avoid further discovery of bodies of drug-users in their area, the Japanese authorities have decided to round up all destitute narcotic addicts found in alleyways and drug dens.

The relief center, which was established by local charity organs and the Municipal Government, originally for the purpose of accommodating beggars only, is now entrusted with the reception of narcotic addicts, due to lack of space in the free treatment center, which is able to care for 500 addicts only.

At present, 1,600 addicts and beggars are crowded in the relief center which was previously planned to accomodate 1,000, while more drug addicts from the Japanese Concession continue to arrive daily. On May 26, 190 were sent to the center through the Bureau of Police, as the Japanese authorities are carrying their campaign against destitute drug users. Those in charge of the center are at a loss how to handle the situation as they do not know how many more the center will be forced to admit.

Yang Yi-hua, Associate Director of the Center, told a representative of the *Star* that an average of seven persons addicted to the narcotic habit and suffering from consequent ailments die daily, despite efforts to save their lives. The inmates are housed in several large rooms inside a large court-yard formerly used as a canvas factory situated in the western suburban district of the Native City. Persons once admitted to the center are not allowed to come out unless guarantees are provided by their families or shops that they will not be found taking drugs or begging in the street again. Most of the inmates are unable to secure the guarantees required, and some of them have stayed in the premises for six or seven months.

Among the beggar class, there are over 50 boys under the age of 15. One boy admits to having been a heroin-user since the age of 12, and said he first tried heroin to cure his stomach ailment and later found it difficult to get along without it. Quite a number of the inmates have their own homes in the suburban districts, where huts are erected on vacant lots without payments of rent and taxes. Those who are less fortunate or are lazier generally go to alleyways where the narcotic dens are situated and choose the less windy spots to pass their night in the open air. Old sacks, ragged clothes and layers of paper comprise their beds while sleeping in the open. Most of the paper is torn from fences where advertisement bills are pasted in thick layers.

Leaders of Japanese Drug Ring Arrested in Kobe and Dairen

Two leaders of a Japanese drug ring, engaged in the smuggling of narcotics into the United States, were arrested by the police in Kobe and Dairen, this week. A leader of the gang who gave his name as Tamakichi Nonaka was arrested in Dairen after a protracted police investigation. The man arrested in Kobe gave his name as Saito. The two men were seized on information supplied by the police of Seattle.

The existence of the ring became known first with the arrest of one Seiichi Amasaka, a Japanese provision dealer in Seattle, on his arrival at the Washington port on the s.s. *Heian Maru* on March 30. Amasaka is being held by the United States authorities on a suspicion of attempting to smuggle $75,000 worth of cocaine into the country.

Silk Workers Stage Hunger Strike in Shanghai

Over 1,000 workers of the Meiya Silk Weaving Factory staged a hunger strike this week, demanding the management to accept their terms. Three thousand workers of the Kung Yi Cotton Weaving Factory also went on strike this week. As a result of serious disturbances reported from the factory large numbers of policemen were sent to the area to preserve peace and order. Tu Yueh-sen, leading businessman in Shanghai, has once more been requested to mediate a settlement.

A.B.C. Underwear Employees Continue Strike

No settlement of the dispute between the workers and management of the A.B.C. Underwear Factory is in sight, although Tu Yueh-sen has arranged a conference for the representatives of the two parties to reach a compromise. It is reported that a number of the staff members of the factory are being detained by the workers in the factory.

Strike in Japanese-Owned Cement Works

A strike was reported this week also in the Chung Shan Cement Works, a Japanese concern, as a result of the dismissal of workers without "sufficiently good" reason.

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Special Proceedings No. 1997
NOTICE
Filed at Shanghai, China, The 17th day of September. William T. Collins, Clerk.

NOTICE OF FIRST MEETING OF CREDITORS

To the creditors of Edouardo Francisco Palma, of Shanghai, China, a bankrupt:

Notice is hereby given that on the 17th day of September, 1936, the said Edouardo Francisco Palma was duly adjudicated bankrupt; and that the first meeting of his creditors will be held in the United States Court for China, at Shanghai, China, on the 21st day of June, 1937, at 2 P.M. o'clock in the afternoon, at which time the said creditors may attend, prove their claims, appoint a trustee, examine the bankrupt, and transact such other business as properly come before said meeting.

May 14, 1937.

MILTON J. HELMICK
Judge.

In the United States Court for China

In re.
LAST WILL AND TESTAMENT
of
MILTON D. PURDY
Deceased.

Cause No. 4177
Special Proceedings No. 2056
NOTICE
Filed at Shanghai, China May 14, 1937.
WILLIAM T. COLLINS, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Milton D. Purdy, deceased, to present the same with vouchers to the undersigned on or before November 22, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Dr. Geo. Sellett,
Hamilton House, Shanghai, China.

Shanghai, China.

Spanish Planes Bomb "Deutschland"—German Warships Retaliate

The German 10,000-ton "pocket" battleship *Deutschland*, which allegedly opened fire on two Spanish Government airplanes proceeding to a raid on Palma, capital of the Balearic islands, was hit May 30 by four of 12 bombs dropped from the machines. Several explosions were seen to come from the warship, which was lying off Ibiza at the time. The casualties on the *Deutschland*, according to an official statement, were: 23 killed, 19 seriously injured, and 64 slightly injured.

Three German warships, acting on instructions from Berlin, May 31 bombarded the ancient seaport of Almeria, on the Mediterranean, 104 miles east of Malaga. The German warships, which opened fire without warning, consisted of the 10,000-ton German "pocket battleship" *Admiral Scheer*, sister-ship of the *Deutschland*, and two destroyers.

News of the bombardment, which first reached Geneva, via Gibraltar, and was subsequently confirmed by Senor Del Vayo, the chief Spanish delegate to the League of Nations, electrified the statesmen gathered there for the current session of the Council. Nineteen persons, including five women and one child, were killed and 55 were wounded in the bombardment of Almeria.

A communique issued by the Ministry of Propaganda in Berlin, May 31 described the bombardment of Almeria as "a reprisal against the criminal attack by Red bombing planes on the *Deutschland*." The reprisals were ended, the communique said, after the harbor works were destroyed and the opposing loyalist batteries were silenced.

A German message, referring to the flying of Spanish Government airplanes in an aggressive manner over German warships, issued by the German admiral in command in the Mediterrancan concluded: "If these actions are repeated, I shall give orders to take appropriate measures." In his reply Senior Prieto, Minister of Defence of the Valencia Government, said: "It is not true that Republican aviation has made hostile demonstrations against foreign ships engaged in control functions. If control is exercised within the limits fixed by the Non-Intervention Committee, foreign ships have nothing to fear. The same guarantee cannot be offered if ships, without cause, are found in notorious centers of rebel activity, against whom the legitimate Government must take action." It was pointed out that the bombed battleship was in the Bay of Ibiza, near the pier, in contravention of the ruling that foreign warships on control duty must be at least 10 miles from the Spanish coast. It was also pointed out that the control of Ibiza was entrusted to the French navy and that, consequently, the German warship had no mission to fulfill in said waters.

Spanish Insurgent Planes Bombard Barcelona

It was officially announced in Berlin May 31 that the German fleet in Spanish waters will be reinforced by an immediate dispatch of additional warships.

Several hundred bombs were dropped on Barcelona during the night of May 29 by Spanish insurgent planes. Upwards of 80 persons were killed and many more injured.

British Merchant Ship Sunk at Spanish Port

A British merchant vessel, the s.s. *Cadin*, was sunk during an insurgent aerial bombardment of Valencia at 2:45 o'clock a.m. May 28. Seven members of the crew were killed and eight wounded. A direct hit was scored on the vessel by a bomb and the ship sank to the bottom of the harbor, although part of it still remains above water. A second bomb fell on another British ship, the s.s. *Pinzon*, but little damage was done and no casualties occurred since all of the crew were ashore.

Reich Minister Schacht Says Germany Wants Better Understanding with France

Germany's motives in international questions were outlined by Dr. Schacht, Reich Minister of Economy, before a luncheon meeting of the Franco-German Cultural Society in Paris May 28. The underlying object of his visit, during which he dedicated Germany's exhibition at the Paris Exposition and laid the ground work for a new Franco-German trade treaty, was to establish better relations between Frenchmen and Germans, he said.

German Bible Students Sent to Prison

Forty-two members of the International Bible Students' Union, which was declared illegal in 1933, were sentenced in Berlin, May 29 to terms of imprisonment ranging from four to eighteen months. The judge, in passing sentence, emphasized that they were not sentenced for their religious views but for their attitude to the state.

Germans and Roman Catholics Continue Mutual Recriminations Concerning Alleged Immorality

Indicating the Vatican's determination to resist the Nazi war against the Roman Catholic Church in Germany, Pope Pius May 29 told a group of German pilgrims at Castel Gandolfo, that he was determined to support German Catholics in their struggle for religious freedom. Pope Pius explained that he already had written at length regarding the right of Catholics to live in accord with the tenets of their religion and said that he intended to continue his campaign in defence of German Catholics. He forecast a campaign of prayer in German Churches.

The Catholic Bishop of Berlin, Count Konrad von Preysing, May 30 instructed all priests in Berlin not to appear in the streets of the capital until further orders.

A speech by Dr. Joseph Goebbels, German Minister of Propaganda, broadcast throughout Germany May 28 dealt exhaustively with issues arising from present extensive prosecutions in open court of ecclesiastics on charges of immorality and unnatural vice. He also strongly defended German newspapers which had published full reports of the trials of clergy on immorality charges.

"I must emphasize with all possible determination before the German people that this sexual scourge must and will be eradicated at the root," he declared, "and if the church itself is too supine to perform the task, then the state must undertake what is imperatively necessary."

Dr. Goebbels then dealt with recent accusations by George, Cardinal Mundelein in which the Catholic Archbishop of Chicago voiced sceptisicm of the impartiality and integrity of the German courts. Continuing, Dr. Goebbels said: "Our regime is accused of the most frightful crime with which any government could be charged, that of intentional manipulation of law and justice. I am therefore compelled to answer these allegations. I speak here as a National Socialist and as a father whose most treasured possession on earth are his four children. As such I can understand the feelings and emotions of those parents whose most sacred treasure has been handed over to brutal and unscrupulous violators of youth."

Chamberlain Succeeds Baldwin as British Prime Minister

Neville Chamberlain, Chancellor of the Exchequer—second son of Joseph Chamberlain—May 28 succeeded to the highest political office in the British Empire (the Prime Ministry) on the resignation of Stanley Baldwin, on whom an earldom was conferred by the King. A wholesale reshuffling of the Cabinet followed the resignation of Mr. Baldwin. Among the major changes were the transference of Sir John Simon from the Home Office to be Chancellor of the Exchequer; Sir Samuel Hoare from the Admiralty to succeed Sir John.

Mr. Baldwin had visited the King at Buckingham Palace to tender his resignation. Mr. Chamberlain also arrived there and was received by His Majesty, who formally asked him to form a Government. Mr. Chamberlain agreed to undertake the task and kissed hands on his appointment in accordance with tradition.

On the eve of his resignation, Ramsay MacDonald, Lord President of the Council, had a farewell audience of the King May 27. He refused a title.

Leader of English Communists Makes Violent Attack on Monarchy

A violent attack against the monarchy and the National Government was made by Harry Pollitt, leader of the English Communists, in a speech in London May 30 before the Communist Party Congress. Mr. Pollitt was particularly bitter over conditions which existed in England during the time of the Coronation, declaring that the unemployed suffered continual privations, particularly in the distressed areas. "The monarchy is antiquated," he declared. "It is not only the rallying point for factional differences, but is the centre of reactionary plots. It is used by the Conservative Party for its own ends." The time has now come, he declared, to launch a strong movement of the laboring classes against the powers of money and reaction, "which are causing industrial troubles. Transport employees, miners and mechanics are already in the struggle."

Bill Revising British Divorce Law Passes Third Reading in House of Commons

By 190 votes to 37, the British House of Commons May 29 passed the third reading of the Marriage Bill. The measure provides that there shall be no divorce within five years of a marriage, and extends the present grounds for divorce to include desertion for three years and incurable insanity for five years.

Neither Spanish Loyalists Nor Insurgents Favor Truce Proposals

While France, Germany and Belgium have favorably received a proposal made by Britain for an armistice in Spain, the parties principally concerned oppose the suggestion. A report from Valencia last week stated that, after a four-hour meeting, the Government had decided that no peace is possible until the insurgents are completely crushed. In Burgos the armistice proposal was greeted with hostility by all the newspapers in insurgent territory. Official circles said they could not discuss the proposal, which they regard as a maneuver on the part of the republicans.

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CUSTOMS NOTIFICATION NO. 1574

The public is hereby notified that in accordance with Government instructions, effective as from 1st May 1937, telescopes and binoculars of magnifying power 12 and under, provided they do not contain either internal or external fittings for military purposes, may be imported without restriction and passed as ordinary articles of commerce.

The import, however, of telescopes and binoculars of magnifying power greater than 12, and all those (regardless of magnifying power) which show graduations or stadia lines in the field of view, or which contain either internal or external fittings for military purposes, remains prohibited unless they are covered by National Government Huchao. Movements of these articles within China are to be treated in the same way as importations.

CHU CHANG-NIEN
Superintendent of Customs.
L. H. LAWFORD
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 31st May 1937.

The Element of Extraterritoriality in the Swatow Incident

Consul-General Nakamura May 26 filed a protest with Gen. Wu Te-chen, Kwangtung Provincial Chairman, at Canton over the alleged manhandling of a Japanese officer by the Swatow police on May 21. In his verbal demarche, the Japanese official blamed the incident upon the "excessive restrictions" upon Japanese nationals in their selection of a domicile.

A *Domei* message from Tokyo May 28 stated that the Japanese Government does not intend to enlarge the Swatow incident. The crux of the question, in the eyes of Tokyo officialdom, consists of an unlawful arrest, handcuffing and detention of a Japanese Consular policeman, who enjoys extraterritorial rights. This point, they declared, is not denied by the Chinese authorities and requires no investigation. Gen. Wu Te-chen, Provincial Governor, has, according to the reports, instructed the Mayor of Swatow to conduct negotiations with the Japanese authorities "in a spirit of amity," with a view to reaching a mutually satisfactory settlement of the incident.

Chinese and Japanese Authorities Agree to Settle Swatow Case Locally

As a result of the negotiations between Gen. Wu Te-chen, chairman of the Kwangtung Provincial Government, and the Japanese Consul-General here, it has been decided that the Swatow case is to be settled locally.

As three of the four Japanese warships have left Swatow, it is reported that the Swatow incident will be settled in the near future, the *Lih Pao* of June 1 stated.

Shanghai "Nichi Nichi" Objects to Terming the Swatow Incident a "Local Matter"

The Shanghai *Nichi-Nichi*, May 28, commented: "The Swatow case is decidedly not a local matter, because it holds tantamount significance regarding its effect on extraterritoriality. While the readjustment of Sino-Japanese relations is commencing, it is highly regrettable that this unlucky incident broke out. Since it is quite grave in nature, we believe that we can not help taking measures, even though it might mar the readjustment. Since the Chinese authorities have recently stressed that Sino-Japanese negotiations should be conducted on the basis of mutual equality, they should not close their eyes before such a case, which is connected with an illegal violation of the acquired interests of Japan and a gross insult to the Nipponese Empire. The Japanese authorities should, with full determination, resort to a perfect settlement of this matter by obtaining assurances for preventing the recurrence of incidents of a similar nature, while only the punishment of those who are responsible for this incident does not suffice to settle this case. As to what damages China will receive, it is nothing but that she should reap what she has sown."

Japanese Refused to Register Removal to New Premises

A report on the Swatow Incident was received by the Ministry of Foreign Affairs early this week from Dr. Philip K. C. Tyau, Special Commissioner of Foreign Affairs for Kwangtung and Kwangsi.

The incident occurred on May 22 as the result of the refusal of a Japanese, named K. Aoyama, to register his removal into a new house with the Swatow police authorities and his subsequent assault on two Chinese police officers. According to the preliminary investigation, the injury sustained by Aoyama is of a minor nature and was caused by a fall from the stairs when he slipped.

Japanese Official Says He Hopes Philippines Will Become Independent as Soon as Possible

Well-informed quarters in Manila "laugh away" the belief that Japan presents a menace to the Philippines, Yakichiro Suma, the newly appointed Counsellor of the Embassy in Washington, said on his arrival in Yokohama, May 30, from a month's tour of the South Seas. Mr. Suma, who had just completed nearly a decade of service in China, said he hoped the Islands would become independent as soon as possible.

As a result of an intensive study of things Japanese, the people of the Philippines, according to Mr. Suma, are beginning to understand Japan's policies and objectives. Mr. Suma concluded with an expression of hope for further progress in the "triangular amicable relations" among Japan, the United States and the Philippines. Mr. Suma sailed June 2 on the s.s. *Taiyo Maru* for San Francisco.

Filipino Sugar Workers in Hawaii on Strike

At the request of the Manila Labor Department, Sr. Paredes, Resident Philippine Commissioner at Washington, May 29 sent a message to Filipino sugar strikers in Hawaii recommending that they return to work immediately. He asked them to leave their dispute in abeyance pending his arrival in Honolulu while en route to Manila after the adjournment of the present session of Congress.

Who's Who in China

程修齡
Miss Cecilia S. L. Zung
(Miss Cheng Hsiu-ling)

Miss Cecilia S. L. Zung, legal practitioner; born at Anching, Anhwei, 1903; graduate of McTyeire High School, Shanghai; LL. B. The Comparative Law School of China, Law Department of Soochow University, 1934; LL. M. June 1937; teacher of mathematics, McTyeire High School; legal practitioner in Shanghai since 1934; will leave this summer for an extenstive tour in Europe, America and Japan to study drama in the various countries; author of "Secrets of the Chinese Drama" and translator of "The United States Code Annotated Title 18" into Chinese; address: 280 Peking Road, Shanghai.

程修齡，安徽安慶縣人，年三十五歲，畢業于中西女塾，東吳大學法科法學士，東吳法科研究院法學碩士；曾任中西女塾數學教員，一九三四年起在上海執行律師事務，今夏將赴歐美及日本遊歷並研究各國戲劇，著有「中國戲典」並譯有中文「美聯邦國刑法典」等書，通訊處：上海北京路二八〇號。

Miss (Chiang) Ting Ling, woman writer; born in Changteh, Hunan Province in 1905; studied at the Ping Ming Girls School founded by Ch'en Tu-hsiu' (Chinese Communist leader); entered Shanghai University, Department of Chinese Literature in 1924; her maiden work *Hsiao Shuo*, a novel published in 1927, immediately attracted attention in the literary world and after that she wrote voluminously, including the famous *Diary of Miss Sophie* and *Wei Hu*, and later *Shanghai in the Spring of 1930*, together with many short stories; in 1931 edited *The Great Dipper* magazine (Pei Tou), an organ of the Left Writers' Union in China; at first Ting Ling tended toward being an Anarchist, then after 1927 swung more and more to the Left, especially after the death of her husband, the well-known novelist, Hu Yeh-p'ing, on February 7, 1931; arrested as a Leftist writer in May, 1933, and detained for about two years, then released under surveillance in Nanking: left Nanking in November, 1936, and went to Sianfu, where she arranged to join the Chinese Soviet movement in Shensi; she is at present engaged in writing and in organizing cultural activities in the Soviet areas.

丁　玲
Miss (Chiang) Ting Ling

丁玲，湖南常德縣人，年三十三歲，幼年肄業於陳獨秀氏所創辦之平民女子學校，一九二四年轉入上海大學文學院肄業，自一九二七年其處女作小說出版後引起一般愛好文學者之注意，後即專事寫作，已出版者有「莎菲女士的日記」，「韋護」，「一九三〇年春上海」，及其他小品文等等，一九三一年任中國左派主辦之「北斗」雜誌編輯，先信仰無政府主義，但自一九二七年後漸左傾，一九三三年五月在滬被捕，釋放後即旅居于南京，至一九三六年十一月赴西安加入陝西中國蘇維埃運動，現在該區從事著作並文化運動云。

Trouble-Free Teething

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Being the second installment of the Mr. Bertram's authentic "Story of Sian"—a necessary supplement to the absorbing account of the Sian incident written *by Mme. Chiang Kai-shek.*

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Men and Events

C. B. Morrison, General Manager of York Shipley Company, returned from Hongkong last week from a short business trip.

Nelson T. Johnson, American Ambassador to China, was in Shanghai last week in connection with the formal opening of the Sino-American radiophone. Mr. Johnson and his family, according to reports, will spend the summer in Peitaiho.

H. J. Timperley, correspondent for the *Manchester Guardian* and advisory editor of *Asia* magazine, arrived in Shanghai May 28 for a short visit. Mr. Timperley's office was formerly located in Shanghai, but he recently moved his headquarters to Nanking.

Hin Wong resigned permanently as General Manager of the University of Shanghai Press on May 31. He also terminated his connection with *Reuter's* as its Chinese editor. Mr. Wong will continue to conduct his class in journalism at the University of Shanghai.

Chief Inspector W. D. McGillivray retired from the Shanghai Police Force on May 30 after many years of distinguished service. The retiring officer was presented with a silver tea set by his associates at the Chengtu Road Station, of which he has been in charge during recent years.

Accompanied by his wife and daughter, Dr. Alfred Sze, retiring Chinese Ambassador to the United States, sailed from San Francisco for Shanghai on board the *President Hoover* on May 29. Hundreds of Chinese and Americans gave the Chinese diplomat a rousing farewell as the ship left the pier.

A verdict of death by suicide was returned on Mrs. Rosaline David, wife of Joseph David, who died in Shanghai on May 21. Coroner C. H. Haines of the British Police Court declared that death was due to an overdose of sleeping powder with intent to commit suicide due to melancholia.

A profit of $10,054.31 was made during 1936, against the loss of $17,243.71 in 1935, by Hall and Holtz, Ltd., British department store in Shanghai, according to the annual report made by Eric Moller, chairman, at the 45th annual general meeting of shareholders of the company held in Shanghai May 31.

In order to negotiate with officials of the local branch of the Java-China-Japan Lijn, Hisanobu Teria, managing director of the Nanyo Kisen Kaisha, a Yen 8,000,000 semi-official shipping concern, arrived in Shanghai on May 28. Mr. Terai's company is interested in the maintenance of lines between Japan and the South Seas.

L. Soyka, Shanghai sharebroker and perennial heckler at Shanghai Company meetings, departed for Europe this week on a holiday. Mr. Soyka is one of those individuals whose status was affected by the World War. The start saw him on the side of the Central Powers; the end saw him on the side of the Allies. He is a Czechoslovakian.

The secret melting down of copper coins must be prohibited, the Ministry of Finance instructed in a circular communication May 27 to the various Provincial and Municipal Governments. The copper seized in such circumstances should be confiscated while their secret transportation with a view to profiteering should be suppressed, the order added.

Pleading guilty to a charge of allowing two women to spend the night on board the destroyer *Wolverine*, Harry Greenslade, commissioned gunner, was ordered to be dismissed his ship and severely reprimanded at a Devenport (England) court-martial May 11. He had entered the British Navy at the age of 11, had served 36 years, and was present at the battle of Jutland.

The Shanghai Y.M.C.A. held a banquet on May 28 in honor of the winners and workers of the recent successful membership campaign. The banquet was held at the Association's headquarters, 123 Boulevard de Montigny. Prizes were awarded and speeches were made by Pan Kung-chen, commissioner of social affairs and Dr. W. Y. Chen, general secretary of the National Christian Council.

Warren L. Pierson, president of the Import-Export Bank of the United States, departed from Shanghai May 30 by the *Empress of Russia* for Japan. Mr. Pierson, a well-known American economist and business man, had just completed an extensive tour of investigation throughout China. His mission in Japan is of a similar nature. Mr. Pierson, accompanied by his wife, arrived in Shanghai early in April.

The Rev. Michael Bruce and Kiang Wen-han, secretaries of the student division of the National Committee of the Y.M.C.A.'s of China, returned to Shanghai May 25 after a two-weeks visit to Japan. While in Japan they attended conferences of the Japanese Student Y.M.C.A.'s and studied questions of Christian work among students. S. Saito, general secretary of the Y.M.C.A. of Japan arranged their program.

After weeks of preparation the Peiping Dramatic Society produced "Ah Q" at the Chang An Theatre in Peiping this week. The play is based on the novel of that name by the late Lu Hsin, the celebrated Chinese writer and novelist, who died in Shanghai last year. The novel was written by Lu Hsin about 20 years ago and has since been translated into half a dozen languages, including English, Japanese, French and Russian. The novel has been adapted for the stage by Chu Cheng-lin. Li Wei and Miss Tsao Ching filled the roles of Ah Q and Wu Ma respectively.

Mrs. Cornell S. Franklin, wife of the Chairman of the Shanghai Municipal Council, departed this week to spend a holiday in the United States, principally at Richmond, Virginia.

The American Legion, Shanghai Post No. 1, will make its annual pilgrimage to the grave of Gen. Frederick Ward of Taiping Rebellion fame, at Sungkiang, Sunday, June 5. D. Mortimer, Commander of the Post, and L. R. Shinazi are in charge of the arrangements. At the grave, Col. Charles F. B. Price, o.c. U.S. Marines, will deliver the address.

The death occurred at Tsinan May 29 at the age of 55 of Dr. Shinichiro Yamada, eminent Japanese entomologist, who was engaged with others in tracing the conveyor of kala-azar, or black fever, now prevalent in Shantung. Known for his research into the causes of sleeping sickness, Dr. Yamada was engaged in scientific pursuits for more than 20 years. He was a staff member of the Communicable Diseases Institute.

Dr. R. L. Howard, associate foreign secretary of the American Baptist Foreign Mission Society, New York City, addressed the student body of the University of Shanghai May 31. Dr. and Mrs. Howard are making a tour of the Baptist Mission stations in East China before returning to the United States. They have just spent a few months in Burma where Dr. Howard was formerly the president of Judson College in Rangeon.

Dr. T. T. Lew, Chinese evangelist and educator, arrived in Shanghai from Peiping on June 1. He will sail on June 4 for England to represent China at the World Conference of Church, State and Community at Oxford, and the World Conference of Faith and Order at Edinburgh. Dr. Lew, who is also a member of the Legislative Yuan, will attend the International Congress of Psychology at Paris. He is expected to return to China in September.

An experimental course in the training of boiler attendants has been started under the Industrial Section of the Shanghai Municipal Council. The class is made possible by the voluntary assistance of three Chinese engineers who are approved as boiler inspectors by the Council—Messrs. T. S. King, Y. C. Lee, and Yenson Hu. The course will consist of twelve lectures and demonstrations in all, four of which have already been held.

Frederick B. Snite, Jr., the young American who has spent a year in Peiping in an "iron lung," will depart from Shanghai by the *President Coolidge* June 6 en route to Chicago. Young Snite and the 20 men and women in his retinue came to Shanghai in a special train on the the Blue Express. On arrival here he was taken to the General Hospital. No expense is being spared; the total cost of the expedition is expected to amount to over $50,000 American currency.

Raymond Mackay, Far Eastern Economic Adviser to the United States Department of State, called on Gen. Wu Te-chen, Chairman of the Kwangtung provincial government, and Tseng Yang-fu, Mayor of Canton, June 1. In an interview, the American economist said that rapid progress made in China in recent years has aroused great interest in the United States. His present visit to China, however, he said, is only for touring purpose and is not an official mission of any kind. After a brief sightseeing trip, Mackay proceeded to Hankow, where he was formerly American Consul-General. From Hankow he is going up to Peiping, and then coming south again to visit Nanking.

The Second Better Homes and Chinese Industries Exhibition was formally opened at the Race Course at May 28 with a brief ceremony. The principal address was made by Mayor O. K. Yui, who cut a ribbon across the portals to the wide area of stands. A crowd of several hundred was already waiting at the gates as the mayor officially inaugurated the exposition, and during the afternoon and evening of the first day the streets of the fair were crowded. The first performance of "Hell Drivers" (stunt auto exhibition at the Race Course May 29 as part of the Better Homes Exhibition) resulted in serious injuries to several prominent Shanghai residents when the shunting cars coasted through the barricade and hit the announcer's table. The injured were: Mark Moody, Max Friedman, H. E. Heinzerling, Max Engel and Mr. and Mrs. Carl Schooss. The driver, Dick Acton, escaped unscathed.

A paragraph appeared in *The Review* last week, in this same position, in which it was erroneously stated that W. Kirkpatrick was the "Number Two" in a well known British firm in Japan. We understand from a reliable source that the real facts are that in succession to Sir William Foot Mitchell, M.P. who is a director of the Chartered Bank of India and the Asiatic Petroleum Company and the late Spencer Smith, who was subsequently a Director of the Bank of England and "Sammy" Samuel, M.P., famous for his Budget Day dinners, that Mr. Kirkpatrick was specially asked to go in 1926 as their successor to Japan by Lord Bearsted, vested with full authority to investigate prospects and advise on future policy of his firm, which had been established in Japan some 60 years. After a few months, Mr. Kirkpatrick's advice, which was followed, was to close the business entirely and, this was done, presumably because Mr. Kirkpatrick did not consider the outlook promising. Not long afterwards serious business difficulties arose in Japan and several banks failed. It would seem that the firm referred to got out when the going was good and that Mr. Kirkpatrick's advice was equally so.

Beginning July 1, the offices of the Executive Yuan will be removed, during the summer, to Kuling, as was the case last year. Ho Lien, Director of the Political Affairs Department of the Executive Yuan, proceeded to Kuling this week to make preparations for the transfer.

Dr. Paul Monroe, well-known American educator, who is on a visit to Chengtu, called on General Liu Hsiang, Chairman of the Szechuen Provincial Government, and Chiang Chih-cheng, Provincial Commissioner of Education for Szechuan, May 30. Dr. Monroe is giving a series of lectures on educational topics at the West China Union University.

Bubonic Plague in Fukien Worst in Many Years—Five-Year Program to Eradicate

Dr. J. Heng Liu, Director of the National Health Administration, in an interview at Nanking May 31 stated that buboric plague has been prevalent in Fukien for several decades, and occurs almost every year. This year the epidemic has been more severe. More than ten districts have been affected, mostly along the coast; according to official records, 4,000 people have died of the disease this year. As a matter of fact, Dr. Liu said, the deaths probably exceed 10,000, as numerous cases must have been unreported in the rural areas. Dr. Liu added that, as the result of his conversations with General Chen Yi, Chairman of the Fukien Provincial Government, a five-year program for the total eradication of bobunic plague in Fukien has been decided upon.

Executive Yuan Issues Orders Concerning Control of Compulsory Labor

Before enforcing compulsory civilian labor, the Provincial and Municipal authorities must report their plans to the Executive Yuan for approval—according to a circular order to the various Provincial and Municipal Governments issued this week by the Executive Yuan.

Shock For London Hospital Nurse.

Feared Her Career was Ended.

"It was a terrible blow to me when the surgeon and matron at the hospital told me I should have to give up nursing because of my health," said Nurse M. Skene, of 16 Keston Road, East Dulwich, London, to a newspaper reporter.

"I used to have attacks of giddiness, and would often fall down. My nerves went all to pieces, and I frequently burst into tears for no reason at all. I grew pale and thin, and lost over three stone in weight in just over three months. I felt utterly worn out.

"A hospital nurse has to be patient and good-tempered, but I became cross and irritable. My heart was set on a nursing career, and I was terribly worried about my health.

"The climax came when I went out one day to visit friends. I was crossing the road when I had an attack of giddiness, and fell right in front of a tram. The driver was just able to pull up in time. The accident was reported to the police, and the hospital authorities were informed. I was medically examined, and the surgeon and matron afterwards told me I must, in my own interests, give up nursing, so I went home. I feared my professional career was ended.

"I had treatment, but it did not seem of much avail. Then my mother told me how Dr. Williams' Pink Pills had saved her life when she was young girl and a victim of persistent anaemia. She urged me to try them, and I dropped all other treatment and commenced taking the pills. I felt an improvement, and, encouraged by this, I continued with the pills.

"I began to eat better and felt less depressed. My nerves became steadier and the bouts of dizziness no longer troubled me. Before long I had regained my normal weight and felt quite fit and well. To my great delight I was able to take up nursing again, and now no work is too hard for me. I eat and sleep well and never seem to feel tired."

As a blood and nerve tonic Dr. Williams' Pink Pills have a world-wide reputation. It is simply by purifying and enriching the blood, and making new good blood at every dose, that Dr. Williams' Pink Pills work the seeming miracles they do in cases of anaemia, nervous debility, digestive disorders, rheumatism in its various forms, general weakness, and the ailments peculiar to women and young girls. What Dr. Williams' Pink Pills have done for others they can do for you. Begin your cure with them today. Of all chemists.

CUSTOMS NOTIFICATION NO. 1575

With reference to Customs Notification No. 1532, the public is hereby notified that, in accordance with Government instructions, native duty-free goods exported and native goods re-exported from Shanghai will be exempted from Conservancy Dues for a further period of one year from the 1st August 1937.

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 2nd June 1937.

CUSTOMS NOTIFICATION NO. 1576

The public is hereby notified that, in accordance with Government instructions, Consolidated Tax on Cotton Yarn will be collected at the following revised rates as from the 1st June 1937:

(A)	Counts 17 and under	$ 5.00	per	100 kg.
(B)	Counts over 17 up to 23 .	$ 5.75	„	„ „
(C)	Counts over 23 up to 35 .	$ 7.50	„	„ „
(D)	Counts over 35	$10.00	„	„ „

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 2nd June 1937.

CUSTOMS NOTIFICATION NO. 1577

The public is hereby notified that, in accordance with Government instructions, the collection by the Customs of the 5 per cent revenue surtax on import duty and export duty will be continued for a further period of one year from 1st July 1937.

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 2nd June 1937.

Can Japan Survive?

This pamphlet of a dozen pages embraces a series of articles dealing with Japan's present problems, which were written by Nugent Rugge and published in *The Review* in March and April of this year.

Copies may be obtained at 15cts. each or $1.50 for a dozen, including postage. Send orders

to

THE CHINA WEEKLY REVIEW
160 Ave. Edward VII
Shanghai.

New Books of Interest in the Far East

A Book for the Chinese-American Merchant

Chinese-American Trade Annual and Directory. 1937. Published by the Chinese Chamber of Commerce of New York, Inc.

This is the first time that a Chinese organization in the United States has undertaken the publication of a trade handbook in English, although the New York Chinese Chamber of Commerce has a Chinese section, which does not duplicate the material found in the English section. The attempt is to present information, together with regulations, for the use of importers, exporters, shippers and travelers, on Chinese-American trade.

The Annual should prove invaluable to the trader, both in America and in China, for it not only tells what China buys and sells, and the market for exporting to and importing from China, but also details the laws, regulations and trade practices that underlie and govern all successful trading with China.

A list of the general contents will give an idea of the value of the book: America and China (by Dr. H. H. Kung and Mr. Julean Arnold); Sino-American Trade Events, 1934-1936; Industry and Transportation (with a statistical picture of China's progress prepared by the China Institute of Economic and Statistical Research, Shanghai); Finance and Commerce; China's Export Products; Trading with China; Chinese in America; Trade Laws, Regulations, Travel; Tariff; Directory of Chinese-American Trade Market; China Trade Act.

On the whole the book is accurate and up to date, but there are several curious mistakes, such as including the Asia Banking Corporation in the list of present-day American Banks in China, when actually it has not been in operation for some years.

The list of China importers and exporters is not complete, but the attempt is to publish a representative, classified list of companies definitely interested in Sino-American trade, and as such it is eminently successful.

One of the most illuminating articles is the one explaining the immigration treaty between China and the United States which allows Chinese merchants to engage in business in America. The Treaty, ratified in 1881, has been so nullified within recent years, that only concerted effort on the part of Chinese merchants can bring about the restoration of the treaty rights, says a former U. S. immigration officer in explaining the treaty.

M. V.

Another Cry for Freedom

The Right to Heresy. By Stefan Zweig, translated by Eden and Cedar Paul. New York: The Viking Press.

Castellio against Calvin is one of Stefan Zweig's notable achievements, wherein he takes up for the readers a tourney between Calvin and Castellio and shows how Sebastain Castellio is a doughty fighter although "a fly attacking an elephant." This feud between these great men of the sixteenth century, then as now, concerned toleration versus intolerance, freedom versus tutelage, humaneness versus fanaticism, individuality against mechanical uniformity, and conscience against violence.

Castellio was convinced that he was challenging a colossal antagonist when he charged Calvin with having been "instigated by fanatical dogmatism in putting to death a man, thus slaughtering freedom and conscience under the Reformation." As other men have attempted a seemingly futile battle when they take up the pen against a dictatorship in the panoply of material armor, which proves ineffectual and means fighting for a lost cause, so Castellio for this very reason, who was hazarding his very life, became a hero in mankind's great war of liberation.

Calvin the dictator of that day wherever and on whatever subject one would chose, to do with the church, politics, etc., was only concerned with might over right and he declared himself the ruler of the new order in Geneva, and brought about a Reformation, worthy of the name. Like most men who have power placed in their hands, they excel their authority, and the fundamentals of the Calvinist doctrine were discipline and emphatic severity. Dangerous it is even today in many places, for the thinker to proclaim his ideas against freedom and authority of public men in high places, and for this reason Castellio, who was a nonentity, an impoverished scholar, a refugee in a foreign land with no civil status, or even the right of residence, became the "unknown soldier" and his writings and letters have remained everlastingly memorable. This interesting and absorbing piece of work on the right to heresy contributes a valuable piece of reading material for the thinkers of modern times and problems and as Castellio said even in 1562 "future generations will wonder why, after so splendid a dawn, we are forced back into Cimmerian darkness."

M. P. W.

A Poetic Answer to Man's Quest for God

The Soul's Quest. By Alice Fay (Countess di Castagnola). G. P. Putnam's Sons, New York. U.S.$2.00.

The universal quest for God and immortality is the theme of Miss Fay's new book of poems, The Soul's Quest. She attempts to answer questions which perplex every individual at some time during his life, such as : What Am I; whence did I come and where am I going; is there a God, and, if so, what is He like; is this universe the result of blind chance or is it the flowering of some mighty plan.

Miss Fay presents an answer to the common quest, after she has taken us on a journey, seeking on the highways of the world and in the byways of thought. The reader is introduced to the journey of a soul which was lonely and sought God, but could not find him, so in dreams travels through time and space seeking an answer. From Occidental countries, to China, Persia, Palestine, Arabia and India goes the Soul, searching and seeking in song most entrancing, the conviction "there is but one Star lighting the whole earth, there is but one Word upon the lips of the world."

Gems from the teaching of Confucius and the philosophy of Lao Tze are put into the words of the author to make them beautifully crystal clear. Likewise, the answers of Zoroaster, of God, of Allah, of Buddha, and of Brahma to the Soul's quest are set forth in language delicately rhythmic and deeply spiritual, yet at the same time sparkling clear.

In the byways of thought Miss Fay discovers that "Jews and Christians went hand in hand, Catholics and Protestants, Sunnis and Shiahs—They were all walking along the same road." From all the voices, concludes the author, comes one Voice, which in majestic utterance tells us there is no beginning, no ending, that we are ever living, that we are all kin to that One who is Night and Day, Love, Harmony and Truth, that if we will but open our minds to let Him in, He will lift up our gladdened Soul. Truly, a fascinating journey, with a powerfully stimulating spiritual climax, well worth reading, even should many not agree with Miss Fay's conclusions.

M. V.

A Boy and Girl Travel Through Asia

Peter and Nancy in Asia. By Mildred Houghton Comfort. Beckley-Cardy Company; Chicago.

Mildred Houghton Comfort contributed greatly to the children of all lands in bringing the world to their own households, when she chose to write travelogues of Peter and Nancy, as they visit the different countries of the world. In the narrative on Asia, we take Peter and Nancy through one of the oldest and most astounding continents—Asia. These old countries afford such sharp contrasts in their rapid developments.

An intimate picture is given the reader of the habits, customs and modes of living from Turkey, Palestine, India, China, Japan and other countries.

Peter and Nancy see the wandering nomads in their tents in Afghanistan; the Holy City and its sacred palaces; they drink some green tea in India and see the white elephants; Sacred River; the Lama country of Thibet; the long coast of China with her gay cities, Chinese farms and rice fields; Peiping and farther North; then a farewell to the Far East after they have visited the Land of the Rising Sun—Japan.

The book is supplemented with unusual photographs clealry showing typical scenes in the various countries.

M. P. W.

Chinese Character and Tradition Portrayed for Children

In the Days of the Han. By M. Jagendorf, a Romance of the Orient. 1936 Sutton House, Ltd., London.

The mystery and illusion always associated with ancient folklore is particularly vivid in this adventurous story of the Orient. To the youth of other lands this narrative brings China right to his own doorstep. The simple language used in telling this tale of courage, loyalty and self-sacrifice of the youthful hero of China, some two thousand years ago, is as inspirational and full of wisdom of the age old philosopher, today to children and adults, as it was in the days of long ago. Through this youthful hero of the Days of Han a true insight into the history of the Chinese character and tradition is gained, presented by the author in a direct manner. Excellent illustrations by Mr. Erwin R. F. Newmann, add materially to the interest and appeal.

M. P. W.

"Fortnightly Survey of Current Events"

The Research Staff of the Council of International Affairs, 1 San Tiao Hsiang, Drum Tower, Nanking, has issued the first two issues of its bi-monthly publication, "Fortnightly Survey of Current Events." The aim of the editors is to provide information for numerous readers who are interested in China, as well as important developments in other countries.

Japan's Financial Difficulties Largely Due to Huge Sums Poured Into Manchuria

Japan's present difficulties with her balance of international payments are directly due to her policy of pouring enormous funds into Manchuria without any prospect of adequate financial return in the near future and have nothing to do with "the necessity for commercial expansion" as maintained by Japanese spokesmen, according to Dr. Elizabeth Boody in the *Far Eastern Survey* of the American Council, Institute of Pacific Relations. Pointing out that since 1931 Japanese investment in Manchuria, in the shape of bonds, debentures, shares and other securities, has amounted to 1,166,000,000 yen, Dr. Boody, director of a study of the recent economic development of Japan being carried out under the auspices of the Bureau of International Research, Harvard University and Radcliffe College, claims that "a certain proportion of these investments has been made because of political expediency rather than in hope of an adequate financial return.

"Were it not for the strain caused by heavy investments of Japanese capital in Manchukuo, there would be nothing to cause apprehension or alarm in Japan's exchange situation," the writer states. "For the last five years Japan's international accounts have been roughly in balance, with a small surplus from current trade and service transactions," it is held, "but the surplus is not nearly large enough to finance the enormous flow of capital to Manchukuo in the form of state and private investments. Indeed, realization of this problem contributed to the weakness of the yen in the last quarter of 1936.

"Japan has been more than able to pay for the goods and services she receives from other countries by means of the foreign exchange she receives for her own goods and services. But she has continued to export capital to Manchukuo (exports of capital to other parts of the world are not permitted) in amounts far in excess of her surplus from the combined visible and invisible trade balances."

Publication Suspended of Chinese Edition of "Sian —A Coup d'Etat"

Publication of the Chinese version of the book containing Madame Chiang Kai-shek's account of "Sian: A Coup d'Etat" and General Chiang Kai-shek's "A Fortnight in Sian: Extracts from a Diary" has been indefinitely postponed, the Chengchun Book Company, Nanking, announced this week. While the English text of the book was published and the first edition was sold out, the Chinese version of the faithful account of the Sian coup was originally scheduled for publication on June 5.

The delay was not explained by the book company. It was postponed by "order," the announcement stated.

Chinese Ministry Approves World Calendar Reform System

The World Calendar Reform system was approved in principle by the Calender Law Research Commission (*Li-Fa Yen-Chiu Hui*) of the Minister of Education at a meeting in Nanking this week.

The various Ministries and Commissions concerned are requested to forward their views on this subject to the Commission before the 15th inst.

According to the reform advocated, each quarterly season is to be divided into three months of 13 weeks or 91 days each. The first day of each season is to be a Sunday, and the last day Saturday. The first month of each season will have 31 days and the other two months 30 days each.

A Year End Day is added as an extra Saturday at the end of each year, between Dec. 30 and Jan. 1. The year is still to be 365 days. In the case of the leap year, 366 days, a Leap Year Day will be added as an extra Saturday between June 30 and July 1.

The Year End Day and the Leap Year Day are to be also known as Equalizing Days, and are to be observed as International Holidays.

Miss E. M. Hinder Blames Lack of Precaution for Ammonia Incident at China Egg Factory

Miss E. M. Hinder, of the Industrial Section, S. M. C., after investigating the recent incident at the China Egg Produce Company, 229 Whangpoo Road, Shanghai, in which escaping ammonia fumes caused 75 persons to be taken to the hospital and drove another 1,000 to the roof to escape asphyxiation, the immediate cause was a defective safety valve on one of the four ammonia receivers on the ground floor of the premises. Each container is approximately 20 feet long by 18 inches in diameter. The normal pressure in the container was stated to be 150-160 pounds per square inch, but it is possible that this pressure was exceeded on account of the sudden hot weather and failure to adjust the condenser water for the warmer conditions, it was stated.

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LECTURES: Class work will be given in the morning. There will be lectures on Confucianism, Buddhism, Christian Missions, and Chinese History and Art. The afternoons will be reserved for sightseeing, library work and individual study. A few lectures on general topics will be given in the evenings.

LIBRARY: The College has a large research library on China and related subjects, open to all, whether they are enrolled as students or not, without fees.

GENERAL: Language teachers will be available at all times during the summer and the library is open daily. The hostel is ready to receive guests at all times.

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Full tuition including personal teacher Yuan	$ 75
Board and room in hostel per day	4
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ACADEMIC CALENDAR
1937

Opening of Summer Term	Monday, June 28, 1937
End of Summer Term	Friday, July 30, 1937
Opening of Autumn Term	Monday, October 4, 1937
Thanksgiving Holiday	Thursday, November 25-26, 1937
End of Autumn Term	Friday, December 18, 1937

Early enrollment and reservation of rooms are desired.

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Telegraphic Address: Language, Peiping,

Movements and Appointments in Diplomatic and Official Circles

In order to safeguard his government from any diplomatic complications which might arise following the publication of the book, "Shanghai: The Paradise of Adventurers," of which it is said he is the author, Mauricio Fresco, the Mexican Consul, this week cabled his resignation to his Government and has already departed for America, via Europe.

N. F. Allman, member of the American Bar, has taken over the local Mexican Consulate with offices at 208 Hamilton House.

F. Bonachea, Consul General for Cuba, assumed charge of the Cuban Consulate General in Shanghai last week.

Dr. Oscar P. Trautmann, the German Ambassador, proceeded this week to Peitaiho, the North China summer resort.

General Feng Yu-hsiang, Vice-President of the Military Affairs Commission, arrived in Tsinan May May 29 from Tai-an, central Shantung, on board a special train, accompanied by Madame Feng and his son and daughter. General Han Fu-chu and General Feng had dinner together. General Feng returned to Nanking by the same train in the evening.

Wu Nan-ju, Minister to Denmark, who returned from Copenhagen a few months ago to attend the funeral of his father, called at the Ministry of Foreign Affairs in Nanking May 31 to receive instructions before returning to his post. He will sail from Shanghai for Vladivostok on the 10th inst. en route to Copenhagen via the Siberian Railway.

Lieut.-General Hsieh Yo, the newly appointed Acting Chairman of the Kweichow Provincial Government, was sworn into office June 2. The oath was administered by Li Tzu-wen, Special Party Affairs Commissioner for Kweichow, on behalf of Central Party Headquarters, Chu Huang, on behalf of the National Government.

Completely restored in health, General Yen Hsi-shan, Director of the Taiyuan Pacification Headquarters, returned to Taiyuan May 30 from his native village, Hopientsun, in Wutai district, north-eastern Shansi, after several weeks' absence. General Chiang Tso-pin, Minister of Interior, is due to visit General Yen at Taiyuan in the near future.

With the approval of the Military Affairs Commission, Major-General Ting Te-lung has resigned from his post as Commander of the 68th Division attached to the 1st Army, (at Hsuchow), in order to join the classes in the Military Staff College in the Capital.

Tung Te-chien has been appointed Charge d'Affaires of the Chinese Legation at Vienna, Austria.

Lt.-Gen. Tashiro Calls Japanese Military Conference on Hearing of Hayashi's Resignation

Upon the receipt of the news that Gen. Hayashi had resigned as Premier, Lt.-Gen. Tashiro, commander of the Japanese Garrison in North China, telegraphed immediately to the high Japanese military officers in China to hold a meeting in Tientsin.

The *Shun Pao* of June 1 stated that according to Japanese military circles, the young Japanese officers are planning to adopt direct action in China in August as a demonstration against the activities of the Japanese political parties.

After inspecting the Japanese naval squadron at Hankow and exchanging views with the Japanese consular and naval authorities there Admiral S. Takahashi, the Japanese Naval Councillor, proceeded to Hunan by train May 30, to continue his mission.

Colonel Shibayama, former Japanese Military Attache in Peiping, paid courtesy calls on Generals Sung Cheh-yuan and Chin Teh-chun in Peiping May 28; in the evening he and Mr. Morishima, the new Counsellor of the Japanese Embassy, were entertained at a dinner given by Mr. Kato, First Secretary of the Embassy. Colonel Shibayama later visited Tungchow. He and Mr. Morishima also shared honors at a dinner given by General Chin, General Chi Hsieh-yuan, Chia Teh-yao and General Fu Chan-kwei.

E. Amau, former Director of the Information Bureau of the Japanese Foreign Office, who has been appointed Minister to Switzerland, arrived in Nanking, June 1 from Shanghai. Accompanied by S. Hidaka, the Japanese Charge d'Affaires, Mr. Amau called on Dr. Wang Chung-hui, Minister of Foreign Affairs, Messrs. Hsu Mo and Chen Chieh, respectively Political and Administrative Vice-Ministers of Foreign Affairs, Kao Tsung-wu, Director of the Asiatic Affairs Department, and Dr. T. T. Li, Director of the Intelligence and Publicity Department. A dinner in honor of Mr. Amau was given in the evening by Messers. Chen Chieh, Kao Tsung-wu and T. T.Li.

Three High Japanese Officials Leave North China for Tokyo

Three high military and diplomatic officials departed from Peiping for Tokyo May 31: Col. Sahishige Nagatasu, Chief of the Chinese Affairs Section of the Army General Staff; Col. Kaneshiro Shibayama, chief of the War Minister's Military Affairs Section; and Morito Morishima, Counsellor of the Japanese Embassy in China. All three officials are expected to reach Tokyo on or about June 5. Mr. Morishima is scheduled to return to his post in Peiping by the end of July, as soon as the Foreign Office formulates its "new concept" policy in China.

Gen. Nobuyuki Abe arrived in Peiping June 1 from Tientsin by train in the course of an extensive trip through China. Next day he visited Tungchow, seat of the East Hopei Autonomous Government, on his way back to Tientsin by automobile.

British Interests in China Discussed in House of Commons

China's copyright law, the Anglo-Japanese conversations, the position of British property owners at Shanghai and the administration of the British Boxer Indemnity Fund were discussed in the House of Commons May 31.

Foreign Secretary Anthony Eden said he understood that the Chinese Government was still unwilling to amend the Copyright Law at the present time. British publishers in China had been advised to avail themselves of such limited protection as may be afforded under the existing law. Adrian Moreing, Conservative member for Preston, declared there was evidence that one well-known British publishing firm had lost thousands of pounds sterling in the last few years.

Replying to a question by Sir John Wardlaw-Mine, the Foreign Secretary said the position concerning the conversations between the British and Japanese Governments remained the same as described in his reply on May 6 (when he said that Britain did not contemplate the revival of spheres of interest in China).

The necessity of fully preserving China's interests. Mr. Eden added, would be carefully borne in mind.

Replying to another question asked by the same member, Mr. Eden promised to make inquiries into the case of a mortgage of $400,000 due to a British subject, secured on property in the International Settlement at Shanghai, and also into three suits brought recently by a British owner of property in Shanghai.

Mr. Eden assured the questioner that he would enquire into the complaint of British property owners at Shanghai concerning the allegation that the Chinese order permitting creditors to proceed with a sale without definite judgment was not being carried out. The Foreign Secretary requested information on special cases.

Replying to Sir William Davison, Conservative member for South Kensington, Mr. Eden said that the British Boxer Indemnity Fund was being administered in accordance with an exchange of notes in 1920. The results of the administration, he added, were highly satisfactory.

Serious Riots Occur in Bombay Between Hindus and Moslems

Three persons were killed and more than 100 injured in serious riots between Hindus and Moslems which broke out in Bombay June 1. Police fired on the crowd as the result of communal tension which started in the Kamatipura area of the city, the storm centre of last October's riots. It later spread to other localities so rapidly that the police, despite reinforcements, were hard pressed to cope with the situation.

The trouble started when a Hindu marriage procession passed a Mosque, and a Moslem youth demanded the cessation of the wedding music. The demand was complied with, but the youth became involved in an altercation with the spectators, which led to a fracas in which three persons were injured. The police quickly dispersed the crowd, but later there were many stabbing assaults and much throwing of stones.

Germany and Italy Withdraw from Spanish Sea Patrol

It was officially announced in Rome May 31 that owing to the bombardment of her warships at Palma de Mallorca the Italian government has decided to act in concert with Germany and withdraw all Italian ships from the Spanish sea patrol and her representative from nonintervention committee until adequate security for the ships engaged in control service had been guaranteed.

Great Britain has made representations to Germany to "take no such action as would render the present grave situation graver still."

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June 2, 1937

Stock Exchange—Business Done:-

Total Volume: 750,000 Shares

1937 High	1937 Low	Div. $ per sh.	STOCK	Last Sale May 28	Last Sale June 1
22⅜	15	0.55	Adams Express	17⅛	16¼
83½	60	1.95	Allis Chalmers	60¼	57½
121	95¾	5.00	American Can	99	98½
35⅞	26⅝	0.60	Amer. Cyanamid "B"	31½	31½
13¾	6½	—	American & For. Power	8	7⅝
68⅜	47½	—	American & Foreign Pwr. $7. pfd.	49	49¼
29½	21	0.60	American Radiator	21¾	21
187	60⅛	9.00	Americacn Tel. & Tel.	166	164½
99	74⅞	5.00	American Tobacco "B"	77½	77¼
29½	17	0.80	American Waterworks	18⅝	18⅜
69½	48½	1.25	Anaconda Copper	54⅜	53¼
93¾	69½	2.00	Atchison, T. & S. Fe	83	81¾
36¾	23¾	—	Auburn	23¾	22
40½	20⅝	—	Baltimore & Ohio	32	30½
105½	78	2.50	Bethlehem Steel	85	83⅜
49¾	33⅝	—	Boeing Airplane Co.	35⅝	35
17½	12½	—	Canadian Pacific Railway	13½	13⅛
176½	138	4.00	Case, J. I.	160	155
90½	78	3.00	Chesapeake Corp.	79	75
68⅞	55¾	2.80	Chesapeake & Ohio	57⅞	57½
135¼	109½	13.00	Chrysler	113⅜	111½
20⅞	11¼	0.40	Columbia Gas Electric	11¾	11¾
21¼	13¾	0.80	Coml. Sovents	13¾	13½
4⅛	2⅛	—	Commonwealth & Southern. ord.	2¼	2¼
49⅞	35	2.25	Consolinated Edison	35½	35
17⅞	15	0.95	Consolidated Oil	15⅞	15¼
47⅝	40¼	1.25	Continental Oil	43⅝	42¼
71¼	55	3.75	Corn Products	58⅜	57¾
77¼	48	—	Douglas Aircraft	55⅛	54⅝
180⅛	148½	5.95	Du Pont de Nemours	156¾	155
28¼	15⅝	—	Electric Bond & Share	17	16⅝
64⅞	50½	1.65	General Electric	53⅛	51¾
44¼	39	2.35	General Foods	39¾	39
77	53⅜	4.50	General Motors	55¾	55⅜
65⅛	42	1.00	General Railway Signal	47½	41⅞
50½	31	1.50	Gold Dust	40	40
47⅜	27¾	1.00	Goodyear Tire & Rubber	38⅞	37¼
87	76¼	0.37	Humble Oil	79⅜	77
73¾	55¼	1.75	International Nickel	60	58⅞
15⅞	9⅜	—	International Tel. & Tel.	10⅜	10⅛
69⅜	51	1.95	Kennecott	58	56⅛
84½	64¼	4.00	Loew's Inc.	80	77⅝
28⅝	21¼	1.50	Lorillard	21¾	21½
101	65	3.00	Monsanto Chemical	90½	90½
69	51	4.30	Montgomery Ward	52¼	50¾
33¾	25¼	0.72	Nat. Bond Investment	26¼	26
26⅛	21	1.20	National Dairy Prods.	23¼	22¼
35	27½	2.75	National Distillers	31¼	30⅝
14¾	8⅞	0.60	National Power & Lt.	9⅝	9⅛
55¼	40	—	New York Central	45⅝	43⅜
34⅞	24	1.30	North American	26¼	26¼
38	28¾	1.75	Pacific Gas & Electric	29⅝	30¼
53¾	42½	3.00	Pacific Lighting	44	43
12⅝	9¼	0.50	Packard Motors	9¼	9
50¼	39¾	1.00	Pennsylvania Railroad	42	40⅝
59¼	49½	2.75	Phillips Petroleum	56¾	55
52¾	38½	2.65	Public Serv. of N. J.	40	39
12¾	8⅝	—	Radio Corporation of Amer.	8⅞	8¾
58	49	3.00	Reynolds Tobacco "B"	51⅝	51¼
51¾	42	4.50	Schenley	42	41½
95⅝	81	6.75	Sears Roebuck	86⅞	86
20¼	17¼	0.75	Socony-Vacuum	18⅝	18½
32½	24	1.50	Southern California Edison	24½	24¼
65⅜	42½	—	Southern Pacific	53	50¾
16¼	12⅝	1.05	Standard Brands	12⅜	12⅜
14⅜	7	—	Standard Gas & Electric	7¼	6⅞
76	64	2.50	Standard Oil Co. of N. J.	67⅜	65¾
75	63½	4.10	Sterling Products	66½	66¼
44	35½	2.50	Texas Gulf Sulphur	36½	35¾
17⅝	13	0.45	Transamerica	13⅛	13⅛
111	59	2.90	Union Caride & Carbon	102	100
148¾	126½	6.00	Union Pacific	136	137½
35⅛	24⅛	0.50	United Aircraft (New)	25⅛	24⅜
24⅝	16⅛	0.20	United Airline Trans.	16⅜	16¼
13⅝	4	—	United Corporation	4⅜	4¼
17	12½	1.00	United Gas Improvement	12½	12⅜
43⅝	33	—	U. S. Indus. Alcohol	33¼	33
72⅜	44¼	—	U. S. Rubber	58	56½
126½	75	—	U. S. Steel	100¾	98½
39⅜	26	—	Vanadium	28½	27½
18	12½	—	Warner Bros. Pictures	13⅝	13
167⅝	130¼	6.00	Westinghouse Electric	140½	137

Call Money: 1 %

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